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THESIS

THE EFFECTS OF REGIONALIZATION ON THE POWER AND AUTHORITY OF SHORE INSTALLATION COMMANDING OFFICERS

by

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June 1999

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This research examines the manner in which the United States Navy's Infrastructure Cost Reduction Initiative, i.e., regionalization, has affected traditional relationships that Installation Commanding Officers have with people assigned to their bases and with other Commanding Officers in the same region. It includes descriptions of the pre-regionalization and post-regionalization command structures in Navy Region Southwest, the process by which regionalization was implemented, and an extensive literature review on the theory of executive power and authority. Semi-structured interviews were conducted with seven Installation Commanding Officers and members of their chains of command in Navy Region Southwest to ascertain their perceptions of the effects of regionalization on the power and authority of an Installation Commanding Officer. This paper draws conclusions and offers recommendations about the erosion of the traditional power and authority of Shore Installation Commanding Officers to accomplish their responsibilities, the training and selection of Shore Installation Commanding Officers, and communications challenges that exist in a regionalized environment.

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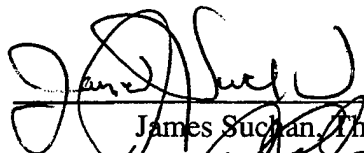
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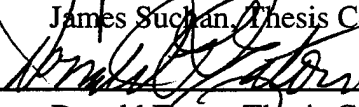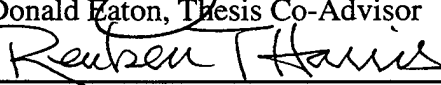June 1999**

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ABSTRACT

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This paper draws conclusions and offers recommendations about the erosion of the traditional power and authority of Shore Installation Commanding Officers to accomplish their responsibilities, the training and selection of Shore Installation Commanding Officers, and communications challenges that exist in a regionalized environment.

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LIST OF SYMBOLS, ACRONYMS, AND ABBREVIATIONS

ACOS	Assistant Chief of Staff
ADDU	Additional Duty
BOS	Base Operating Support
BRAC	Base Realignment and Closure
BUMED	Bureau of Medicine and Surgery
CAB	Customer Advisory Board
CINCPACFLT	Commander in Chief, U.S. Pacific Fleet
CNB San Diego	Commander, Naval Base, San Diego, CA
CNO	Chief of Naval Operations
CO	Commanding Officer
COMNAVAIRPAC	Commander, Naval Air Force, U.S. Pacific Fleet
COMNAVSUBPAC	Commander, Submarine Force, U.S. Pacific Fleet
COMNAVSURFPAC	Commander, Naval Surface Force, U.S. Pacific Fleet
CNRSW	Commander, Navy Region Southwest
DOD	Department of Defense
DON	Department of the Navy
ESC	Executive Steering Committee
FCA	Fleet Concentration Area
FITREP	Officer's Fitness Report
FY	Fiscal Year
KSA	Knowledge, Skills, and Abilities
NAB	Naval Amphibious Base
NAS	Naval Air Station
NAVAIR	Naval Air Systems Command
NAVFAC	Naval Facilities Engineering Command
NAWC	Naval Air Warfare Center
NCA	Navy Concentration Area
NCBC	Naval Construction Battalion Center
NJP	Non Judicial Punishment
NRSW	Navy Region Southwest
NS	Naval Station
PM	Program Manager
PRIDU	Primary Duty
RAB	Regional Advisory Board
SIM	Shore Installation Management
SNDL	Standard Navy Distribution List
SORM	Standard Organization and Regulations Manual
UIC	Unit Identification Code
VTC	Video Tele-Conference
XO	Executive Officer

ACKNOWLEDGMENT

Finally, I would like to share an early example of organizational design and structure found in the Book of Exodus. Jethro, who is Moses' father-in-law, teaches Moses how to organize the Hebrews, stating:

> Teach them the decrees and laws, and show them the way to live and the duties they are to perform. But select capable men from all the people—men who fear God, trustworthy men who hate dishonest gain—and appoint them as officials over thousands, hundreds, fifties and tens. Have them serve as judges for the people at all times, but have them bring every difficult case to you; the simple cases they can decide themselves. That will make your load lighter, because they will share it with you. If you do this and God so commands, you will be able to stand the strain, and all these people will go home satisfied. [Exodus 18: 20-23 (NIV)]

I. INTRODUCTION

A.   PURPOSE

This research examines the manner in which the U.S. Navy's Infrastructure Cost Reduction Initiative, i.e., regionalization, has affected traditional relationships that Installation Commanding Officers (COs) have with people assigned to their bases and with other COs in the same region. This thesis will specifically focus on Navy Region Southwest (NRSW) as a regionalization model to explore how the roles, leadership and management styles, and application of power and authority may have changed as the result of this new regional command structure.

B.   BACKGROUND

It is reasonable to begin discussion of how regionalization has affected the power and authority of an Installation CO with a discussion of the global, political, and economic events leading up to the U.S. Navy's regionalization process. The Department of Defense (DOD) has the world's largest dedicated infrastructure. Roughly the size of the state of Virginia (40,000 square miles), this infrastructure includes mission and mission-support facilities and housing for more than 293,000 families and about 400,000 unmarried service members. These assets are worth approximately $500 billion. [Ref. 1]

Since the Berlin Wall fell in 1989, DOD budgets have declined significantly in real value. To reduce the size of the military's infrastructure, the U.S. Congress formed the Base Realignment and Closure (BRAC) Commission. Between 1988 and 1995 four BRAC rounds were conducted which closed or realigned 152 major installations and 235 smaller installations. One hundred and seventy-eight of these installations belonged to the Department of the Navy (DON). These closures and realignments will net a projected $14.5 billion savings by Fiscal Year (FY) 2001. Recurring savings after FY 2001 will amount to approximately $5.7 billion each year. [Ref. 1]

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Despite four rounds of base closures, infrastructure reductions have not kept pace with declines in other parts of the budget [Ref. 2]. For example, from 1988 to 1998, the DON's Total Obligation Authority decreased in real terms by 40 percent in constant 1998 dollars. During this same time frame, the number of ships in the U.S. Navy was also reduced by 40 percent and the number of Sailors by 30 percent. However, DON infrastructure has decreased only 17 percent [Ref. 1]. The result is that installations can no longer afford to maintain facilities and services to established standards [Ref. 2]. This has led the Secretary of Defense, the Honorable William Cohen, to repeatedly petition Congress for additional BRAC rounds, which the U.S. Congress thus far has refused to approve.

As Secretary Cohen, in the face of Congress' refusal to authorize additional BRAC rounds, publicly discusses other options such as mothballing active military bases [Ref. 3], Admiral Jay Johnson, the Chief of Naval Operations (CNO), launched the "Navy Infrastructure Cost Reduction Initiative" in June, 1997. This initiative is sponsored by the Deputy CNO for Logistics (N4), currently Vice Admiral James Amerault, through his Shore Installation Management (SIM) Division (N46). Concerning this initiative, the CNO stated in a message to the fleet, "As we go forward, one of our primary objectives must be to reduce the cost of operating the Navy Shore Establishment so we can use those savings for people/quality of life, readiness, and modernization." [Ref. 4]

The initiative includes a number of components, one of which is the regionalization of the shore infrastructure. The purpose of regionalization, simply stated, is to consolidate installation management functions in Navy Concentration Areas (NCAs) and to identify opportunities to consolidate, realign, or eliminate redundant functions, activities, or tenants [Ref. 5]. The regionalization process has caused several organizational redesigns, the effects of which form the basis for this study.

C. RESEARCH QUESTIONS

Primary:

What effects has regionalization had on the power and authority of Shore Installation Commanding Officers to accomplish their responsibilities?

Secondary:

1. What was the command structure of a shore installation before regionalization, and what structure has been implemented as a result of regionalization?
2. What are the types and sources of power and authority available to an Installation Commanding Officer both before and after the regionalization structural changes?
3. How have the chain of command relationships between Installation Commanding Officers and the people assigned to their installations been altered as a result of regionalization?
4. How have the relationships between Installation Commanding Officers and other Installation Commanding Officers in the area been altered as a result of regionalization?
5. To what extent are Installation Commanding Officers now partners and/or competitors for scarce resources in the regionalization process, and how do they resolve conflicts?
6. If they exist, how could the new knowledge, skills, and abilities of an Installation Commanding Officer in a regionalized environment affect Installation Commanding Officer selection criteria?

D.   SCOPE AND METHODOLOGY

This thesis includes descriptions of the pre-regionalization and post-regionalization command structures in NRSW. It analyzes the implementation of regionalization in the region and how structural changes may have affected the power and authority of Installation COs.

The methodology used in this thesis research consisted of the following steps:

1.   An extensive literature review on the theory of executive power and authority and the effects of organization structural change on leaders' roles and management styles.

2.   A thorough review of how regionalization altered the command structure in NRSW.

3.   Semi-structured interviews were conducted with seven Installation COs and members of their chains of command in NRSW to ascertain their perceptions of the effects of regionalization on the power and authority of an Installation CO. In addition, the interviews were designed to gather data about the manner in which the U.S. Navy's shore installation regionalization process has affected the traditional hierarchical relationships that Installation COs have with the people assigned to their bases and with other COs in the same region.

4.   A content analysis of the COs' interview responses was performed to determine the extent and nature of changes occurring in how Installation COs use power and authority differently in a regionalized structure.

E.   EXPECTED BENEFITS

This thesis will increase the understanding of how geographically dispersed command structures can affect the power and authority of a CO. It will provide information to Installation COs currently undergoing the regionalization process and to prospective Installation COs as to how to tailor their managerial styles to be more effective in a regionalization environment. It will provide information to DON

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policymakers to better understand how to modify current policy and formulate new policies to best maximize the benefits of the U.S. Navy's regionalization process. Finally, it will provide a description of new knowledge, skills, and abilities (KSAs) needed by Installation COs in a geographically dispersed, regional structure. This description may indicate that changes are needed in the manner in which the U.S. Navy selects, educates, and assigns its Installation COs.

F. ORGANIZATION OF THESIS

I. Introduction
    A. Purpose
    B. Background
    C. Research Questions
    D. Scope and Methodology
    E. Expected Benefits
    F. Organization of Thesis

II. Overview of Pre- and Post-Regionalization Structures and the Regionalization Process
    A. Pre-Regionalization Structure
    B. Regionalization Theory and Process
    C. Post-Regionalization Structure

III. Overview of Power, Authority, Organizational Structure, and Design Strategy
    A. Power
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II. OVERVIEW OF PRE- AND POST-REGIONALIZATION STRUCTURES AND THE REGIONALIZATION PROCESS

This chapter will provide overviews of the traditional organizational structures that were in place prior to regionalization, the regionalization process and theory, and the organizational structure that was adopted as a result of regionalization.

A. PRE-REGIONALIZATION STRUCTURE

1. Interior Structure of an Installation

An average DOD installation services 2500 active duty military personnel, 5000 family members, 2000 civilian employees, and 2500 retirees. It has assets approaching $2.5 billion and annual expenses totaling $100 million [Ref. 6]. Like any business, an installation must be structured in such a way to both serve the stakeholders listed above and also fulfill its assigned mission.

Traditionally, military installations adopt an organizational structure that clearly delineates the military chain of command and, at the same time, shows the division of responsibilities among the personnel assigned to the command. The most common organizational structure used in the U.S. Navy is a hierarchy. An example of such a structure is found in the pre-regionalization organizational chart of Naval Station (NS) San Diego, CA located in Appendix A.

Typically, U.S. Navy units and installations have four levels of managers. These four levels are well represented in Appendix A. The first level is the CO, found at the apex of the organization. Directly below the CO is the Executive Officer (XO), the second in command. Continuing downward, Department Heads are listed below the XO, and if applicable, divisions led by Division Officers are listed in each department. Power in an organization like NS San Diego is mostly positional, dependent upon the officer's position in the hierarchy and the level of resources to which he or she has access. The U.S. Navy rank structure helps further define the amount of power present at each level as the CO is usually a Captain (O-6), the XO a Commander (O-5) or Lieutenant

Commander (O-4), the Department Heads Lieutenant Commanders or Lieutenants (O-3), and so on.

The role of each position is clearly defined in base regulations, and power is delegated from the CO to those below him in the hierarchy. The delegation of power is based on the responsibilities and duties of each position. Staff functions are aligned so that they have access to the CO and XO, but are not considered to be in the chain of command between the CO and the Department Heads.

The amount of power delegated to each position is clearly delineated in the organization manual of the base. According to the U.S. Navy's organization manual, the Standard Organization and Regulations of the U.S. Navy (U.S. Navy SORM), "...naval personnel [must] be immediately capable of correctly interpreting command objectives and execut[ing] complex actions in consonance with their responsibilities." [Ref. 7, p. 1-1] By closely following the concepts laid out in the U.S. Navy SORM of unity of command (ensuring that a member reports to and receives orders from only one individual), span of control (the ideal number of people who can be supervised effectively by one person) and delegation of authority, naval personnel will be able to "...perform their responsibilities rapidly, efficiently, and effectively to contribute to a coordinated attainment of command task and mission objectives." [Ref. 7, p. 1-1]

It is interesting to note that the U.S. Navy SORM is accepted as the governing document on organizational structure in the U.S. Navy. Every unit in the U.S. Navy has its own local version of the SORM based on OPNAVINST 3120.32C, the official U.S. Navy version. However, when one examines the index of the U.S. Navy SORM, shore installations are not mentioned. The document is intended primarily for ships, squadrons, and embarked staffs. Even though shore installations reference this document in their own SORMS, the U.S. Navy SORM does not contain specific information on how to organize shore installations. This has led shore installations to adopt organizational structures that mimic those on ships or in squadrons, even though the mission of a shore installation may be totally different from that of an operational unit.

Appendix A, though no longer in effect for NS San Diego, is typical of the organizational structure that one could expect to find at a shore installation prior to regionalization. In fact, this type of structure is preferred in the military because it "...show[s] the command relationships—who is directly under whom." [Ref. 8, p. 208] The U.S. Naval Academy's text, Fundamentals of Naval Leadership, even discusses how to connect the boxes in an organizational chart to indicate relationships, stating that

"...solid lines are used to indicate full control, dotted, dashed, broken, or thin lines to indicate partial or special control." [Ref. 8, p. 209] Finally, the functions necessary to ensure the continuous operation and mission attainment of NS San Diego are all present on the organizational chart in Appendix A. In addition, they all work directly for the CO of the installation.

Two factors have been dominant in the development of the organizational structure that traditionally exists on a military base. The first factor is the influence of history, tradition, and the perception of the role of an installation. The first military installations in the United States were established in frontier lands and located far from populated areas. Therefore, they were designed to be totally self-sufficient. To this day, the concept of self-sufficiency exists at U.S. bases around the world. Base commanders take great pride in the fact that every conceivable service can be provided using in-house resources and laborers. [Ref. 6]

The second factor is the concept of responsibility. U.S. Navy Regulations, which is a document that contains many of the rules and procedures governing the U.S. Navy and which is commonly called Navy Regs, states:

> The responsibility of the commanding officer for his or her command is absolute, except when, and to the extent to which, he or she has been relieved therefrom by competent authority, or as provided otherwise in these regulations. The authority of the commanding officer is commensurate with his or her responsibility. While the commanding officer may, at his or her discretion, and when not contrary to law or regulations, delegate authority to subordinates for the execution of details, such delegation of authority shall in no way relieve the commanding officer of continued responsibility for the safety, well-being and efficiency of the entire command. [Ref. 9, p. 47]

An article discussing regionalization that recently appeared in the *San Diego Union Tribune* captured the ideas behind the two factors that were just discussed. It stated, "It's a Navy tradition that a base commanding officer is the king of his domain, in charge of everything from the gate guards to the motor pools to the utilities, and responsible for all that happens on base." [Ref. 10]

2. Exterior Chain of Command of an Installation

The chains of command for U.S. Navy Fleet and Shore Commands is assigned in Enclosure 3 of the Standard Navy Distribution List (SNDL), also known as OPNAVNOTE 5400. Prior to regionalization, there was not one standard chain of command for an installation. An installation's exterior chain of command depended upon its "flow of money." The sponsoring organization that assigned the primary mission of a base and provided the majority of the base's budget also acted as the CO's reporting senior. Using NS San Diego as an example, the CO of the base reported to Commander, Naval Surface Force, U.S. Pacific Fleet (COMNAVSURFPAC), a Vice Admiral. The CO received his Regular Fitness Report (FITREP) from COMNAVSURFPAC, along with the majority of the operating budget for the base. The CO of NS San Diego was responsible to COMNAVSURFPAC for the accomplishment of the base's primary mission.

Looking at the other bases in NRSW:

- The CO, Naval Amphibious Base (NAB), Coronado (now disestablished) also reported to COMNAVSURFPAC.
- The CO, Naval Submarine Base, San Diego (Point Loma) reported to Commander, Submarine Force, U.S. Pacific Fleet (COMNAVSUBPAC).
- The COs of the Naval Air Stations (NAS) at North Island, Fallon, El Centro, and Lemoore reported to Commander, Naval Air Force, U.S. Pacific Fleet (COMNAVAIRPAC).
- The CO, Naval Medical Center, San Diego reported to the Chief of the Bureau of Medicine and Surgery (BUMED).
- The CO, Naval Air Warfare Center (NAWC), Point Mugu reported to Commander, Naval Air Systems Command (NAVAIR).
- The CO, Naval Construction Battalion Center (NCBC), Port Hueneme reported to Commander, Naval Facilities Engineering Command (NAVFAC). [Ref. 11]

Each command owning bases listed above had its respective regulations, procedures, and budgets. In addition, each command had developed a culture that was specific to its mission.

The chain of command above these commands also could not be classified as standardized. In this example, COMNAVSUBPAC, COMNAVSURFPAC, and

COMNAVAIRPAC all reported to the Commander in Chief, U.S. Pacific Fleet (CINCPACFLT). CINCPACFLT served as the major claimant for these three commands in the U.S. Navy's budgeting process, meaning that it represented the three commands and their bases in the fight for Base Operating Support (BOS) resources. This did provide some uniformity among the three organizations as CINCPACFLT became the funnel through which resources flowed. However, the other commands mentioned, NAVAIR, BUMED, and NAVFAC, were also major claimants in the budgeting process and were therefore in competition with CINCPACFLT.

3. Role of Commander, Naval Base, San Diego, CA

Prior to regionalization, CINCPACFLT was assigned by the CNO to act as the area coordinator for California, Oregon, Washington, Nevada, Alaska, Hawaii, and designated overseas areas [Ref. 12]. CINCPACFLT reported directly to the CNO in matters relating to the command and area coordination of shore activities. As the area coordinator, CINCPACFLT was responsible for ensuring a coordinated shore establishment to support the fleet, shore activities, and personnel in the naval service. In this role, CINCPACFLT assigned several regional area coordinators in Fleet Concentration Areas (FCAs) to help ensure effective execution of area coordination responsibilities. As part of this process, Commander, Naval Base, San Diego, CA (CNB San Diego) was assigned as the regional area coordinator for San Diego County.

According to the current U.S. Navy instruction governing area coordination and command relationships (OPNAVINST 5400.24D), shore installations are to consider assistance and support to the area coordinator as an "integral part of their mission." However, shore installation commanders are still responsible for the internal affairs of their shore activities. Under this instruction, CNB San Diego did have the power to assign responsibilities to shore activities based on their technical and professional capability and assigned missions. However, they did not have direct authority over shore installation COs. In other words, regional area coordinators were not in the chain of command between Installation COs and their reporting seniors. OPNAVINST 5400.24D specifically states:

Area coordinators may direct consultation to seek agreement, but do not have the authority to direct implementation. When area coordination matters cannot be resolved at the area coordinator level, they will be referred by area coordinators to the Chief of Naval Operations. [Ref. 12]

Though the positional power of CNB San Diego was fairly constrained by this instruction, the possibility of elevating an issue to the CNO did provide some leverage for area coordinators to impose their wills. There were also two other methods available to influence the behavior of Installation COs. The first was that CNB San Diego could, according to OPNAVINST 5400.24D, submit a Concurrent FITREP to the direct superior of a base CO. A Concurrent FITREP is different than the Regular FITREP discussed above. A Concurrent FITREP is submitted to provide a record of performance which was not "...directly accountable to or observable by the regular reporting senior." [Ref. 13, p. 3-1] A Concurrent FITREP must be counter-signed by the Regular Reporting Senior if it is to be included in an officer's personnel record.

The second method that CNB San Diego could use to influence the behavior of Installation COs was the power inherent in military rank. CNB San Diego was traditionally a Rear Admiral (O-7). Installation COs are generally Captains (O-6). So, CNB San Diego did have two tools, however limited, that could be used to coordinate the actions of Installation COs in their geographic purview.

B. REGIONALIZATION THEORY AND PROCESS

1. Consolidation Prior to Regionalization

The "Navy Infrastructure Cost Reduction Initiative," the history of which was discussed in Chapter One, contains two main components: the regionalization process and the Installation Claimant Consolidation process [Ref. 5]. The purpose of regionalization is to consolidate installation management functions in NCAs and to identify opportunities to consolidate, realign, or eliminate redundant functions, activities, or tenants [Ref. 5]. When the regionalization process started in 1997, there were 18 BOS claimants in the U.S. Navy, such as CINCPACFLT, NAVAIR, BUMED, and NAVFAC. This meant that 18 different organizations in the U.S. Navy owned shore installation

management facilities, supported tenant commands, and regarded base operations as one of their primary missions. Furthermore, there were 18 different organizations participating and competing in the budget process, 18 different chains of command and ways of doing business, and 18 different ways for BOS funding to flow.

The CNO determined that the regionalization process would be "...optimized when all BOS functions within Navy Concentration Areas are consolidated under a single commander." [Ref. 14] Accordingly, in December 1997 he ordered that Installation Claimant Consolidation occur, stating, "Regionalization and Installation Claimant Consolidation are inextricably linked." [Ref. 14] This process reduced the number of claimants in the U.S. Navy with BOS as a primary mission from 18 to 8. This meant that all BOS funding, property, and shore installation management billets would be transferred to one of the eight claimants.

Effectively, this also meant that the chains of command for Installation COs in a certain geographic area would be standardized. In California, for example, everyone (with only a few minor exceptions) in the shore installation management business now reports to, and receives their BOS funding from, CINCPACFLT. This process greatly increased the amount of BOS resources flowing through CINCPACFLT, and, concurrently, the power they possessed in the shore installation management arena.

Now that the flow of money was simplified and standardized and the chains of command consolidated, the regionalization process could begin. Regionalization studies were conducted in many NCA's, but the first step was actually taken in San Diego by Rear Admiral (Lower Half) Veronica Froman, appointed in January 1997 as CNB San Diego.

2. Regionalization Theory and Process

Many had expected when Rear Admiral Froman reported to her new post that she would assume the traditional CNB San Diego role as the "Navy Mayor" for San Diego County. As we already pointed out, this role was that of a coordinator, without much

formal authority attached. However, Rear Admiral Froman had received different tasking from CINCPACFLT, Admiral Archie Clemins. She was to be the first to implement regionalization. Furthermore, she had the power to implement this change because Installation Claimant Consolidation had rerouted all of the BOS funding, and concurrently the Installation COs' chains of command, directly through her to CINCPACFLT.

The philosophy behind the regionalization process is spelled out in the "21st Century Shore Support Navy Infrastructure Vision and Strategic Plan." This document, published in June 1997, is intended to direct the U.S. Navy's efforts towards, in Vice Admiral William Hancock's (then-CNO N4) words, creating "a leaner, more effective infrastructure." [Ref. 15] The plan promulgates three "Keys to Success." They are:

- ❑ No <u>tenant</u> should do what a <u>host command</u> can do more cost effectively.
- ❑ No <u>host command</u> should do what a <u>regional complex</u> can do more cost effectively.
- ❑ No <u>regional complex</u> should do what the <u>surrounding community</u> can do more cost effectively. [Ref. 15]

This plan requires the U.S. Navy to adopt fundamental changes in the way that it does business if it is to attain the most effective and efficient infrastructure possible. It also points out the need for metrics to measure the U.S. Navy's progress towards efficiency and effectiveness. The plan discusses two issues: (1) apply state-of-the-market business practices; and (2) reduce the cost of the infrastructure [Ref. 15]. These issues are addressed through key accomplishments, comprised of goals, which are to be achieved by the U.S. Navy shore establishment by satisfying specific objectives. While in the process of addressing these two issues, the plan states that the U.S. Navy must maintain an acceptable and affordable quality of life for its Sailors. It must provide "equal to or better service at equal to or less cost." [Ref. 15] The two issues and their respective accomplishments, goals, and objectives are reproduced in their entirety in Appendix B.
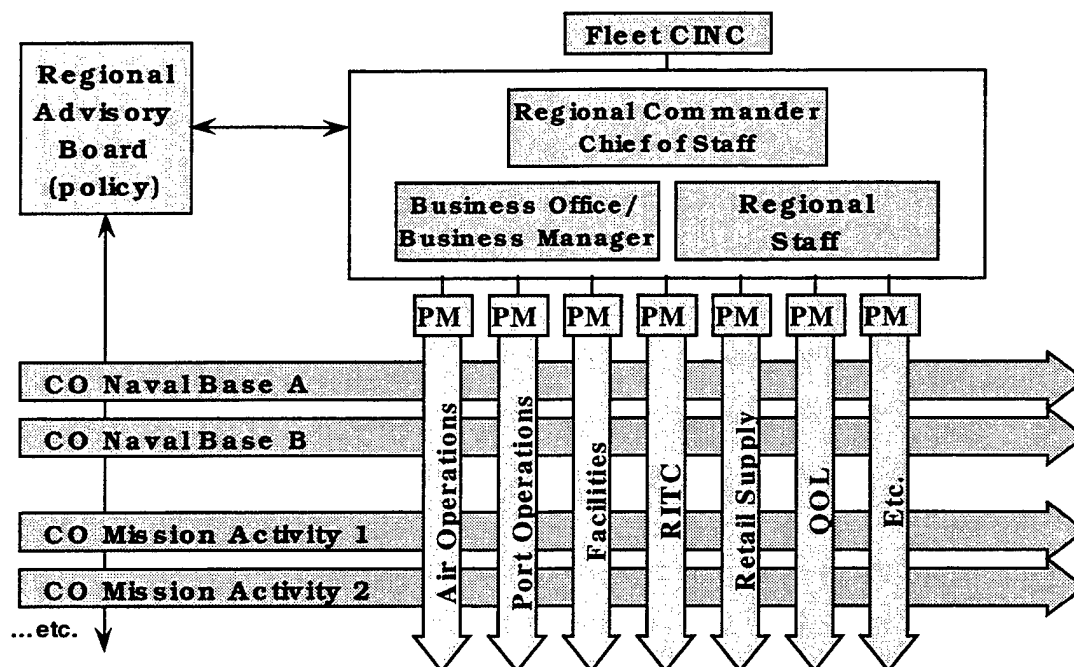
Figure 1. CNO N4 Vision of a Regionally Focused Management Structure [After Ref. 5].

The first issue listed above deals with applying state-of-the-market business practices in the U.S. Navy. The first key accomplishment of this issue is, "Create an organizational structure and process to accelerate positive changes." The first goal under this accomplishment is "optimize management structure to enable efficient operations." Finally, one of the five objectives under this goal is "to determine and implement the most efficient organization based on a regional installation management concept." [Ref. 15] Addressing the first strategic issue would help accomplish the second, reducing infrastructure cost.

The optimal management structure defined by CNO N4 required the U.S. Navy shore establishment to reorganize into a regionally focused management structure. CNO N4 promulgated a sample matrix that was to be implemented during the reorganization. This matrix, in Figure 1, is affectionately called the "Galactic Radiator" because of its appearance. The matrix contains two axes instead of the single hierarchy that is present in a traditional U.S. Navy organization. The horizontal axis consists of the Installation COs. The vertical axis consists of specific programs or functions that are run by a

Program Manager (PM). In theory, in order to accomplish the missions of his or her installation, a base CO accesses the resources required, which are provided and managed by a PM. A Regional Advisory Board provides a forum for the COs to interact with the Regional Business Office, which assists the PMs in managing their program.

To implement the matrix, the shore establishment needed to accomplish several restructuring tasks. First, they had to consolidate redundant commands and activities. Second, they needed to organize regionally by business or product/service lines, vice fencelines. For example, instead of having a separate fire department for each base in a NCA, there should be one large regional fire department to service the entire region. This would allow a command to focus on its core mission, instead of support missions.

Third, unity of command needed to be established for all bases in a region. This specific task was established during ICC, when the installation chains of command were realigned through the CNB in a region. This realignment also meant that a CNB was now to be called a regional commander. Lastly, the regional commander needed to implement a matrix organization to consolidate installation management functions and commands under themselves. [Ref. 5]

CNO N4 also promulgated an eight-step process for conducting regionalization. These steps were: (1) Data Collection; (2) Develop Conceptual Framework; (3) Conduct Command Structure/Organizational Analyses; (4) Conduct Functional Area Analyses; (5) Review Team – Review Analyses/Develop Recommendations; (6) CNO/Major Claimant Review of Recommendations; (7) Approval/Implementation Directive; (8) Implementation [Ref. 5].

NRSW modified these eight steps into a five-step process. These steps were: (1) Define BOS Function/Baseline Current Operation; (2) Envision Regional Service Delivery; (3) Conduct Business Case Analysis of Alternatives; (4) Present Findings and Recommendations; (5) Implement Recommendations [Ref. 16]. NRSW's process is further explained in Appendix C.

C. POST-REGIONALIZATION STRUCTURE

1. Interior Structure of an Installation

The interior organizational structure of a shore installation changed dramatically after regionalization occurred. One CO interviewed stated jokingly that his secretary, the XO, and the Command Master Chief were the only folks left on the base that he directly supervised. In a sense, this is true. The majority of Division Officers and Department Heads now report to a PM, as well as to the CO of a base. In NRSW, the PMs, in turn, report to one of the Installation COs who has been designated as the Regional Commander's Assistant Chief of Staff (ACOS) for a regionalized function. The PM may not physically reside on the base of the ACOS to whom he or she reports. As there are more COs than regionalized functions in NRSW, not all COs are designated as ACOS's. A description of the duties and responsibilities of all participants in the region is included below.

The actual drafting of installation organizational charts is in progress at the activities in NRSW, as is the new regional SORM. A post-regionalization organizational chart for NS San Diego is included in Appendix D. Looking at this chart, the only people who now directly work for the CO are the XO and six staff functions: the Command Master Chief, the Command Master-at-Arms, the Command Career Counselor, the base Administration Office, the Staff Judge Advocate, and the Chaplain. This is a radical change from the pre-regionalization organizational chart (Appendix A). Everyone else listed on this chart is connected to the CO by a dotted line, representing the matrix relationship that now exists.

The CO of NS San Diego is dual-hatted as the ACOS for Port Operations. The PM for Port Operations works directly for the ACOS. In this particular situation, the PM and the ACOS are co-located on the same base. Therefore, the PM for the Port Operations organization is included on the NS San Diego organizational chart. However, these are two separate entities. The matrix organization that was implemented in NRSW will be discussed in more detail below.

I was provided with a draft copy of the new regional SORM for NRSW. This document lists eight proposed roles of the CO in a post-regionalization structure. The NRSW draft SORM states:

Installation CO's exercise operational control of regional assets within the geographic footprint of the installation to accomplish the installation's mission. The CO is responsible for the safety, well being, efficiency and unit cohesion within his/her command. The role of the CO is to:

(1) Coordinate BOS functional programs within the installation footprint;

(2) Direct the efforts of program site managers, who report additional duty to the installation CO, consistent with regional policy, to accomplish the installation mission;

(3) Manage cross-functional issues within the installation footprint;

(4) Maintain liaison with fleet units and tenant commands to ensure that service standards are maintained and that customer requirements are satisfied;

(5) Represent the installation and the Navy with local communities, Navy stakeholders, other state and Federal government agencies, sister services, foreign guests and Native Americans;

(6) Maintain military standards, custom and decorum within the installation footprint;

(7) Administer and enforce discipline pursuant to the Uniform Code of Military Justice (UCMJ) and other state and local laws, regulations, and directives; and

(8) Manage assigned military programs. [Ref. 17]

Coordination is the most notable difference between the roles and responsibilities of Installation COs prior to regionalization and this new description of CO roles and responsibilities. In lieu of owning all resources being utilized on the base, the CO is responsible for coordinating the use of these resources to ensure the accomplishment of the primary mission of the base. This is a fundamental shift from the description of command authority and responsibility that exists in Navy Regs. To review, Navy Regs states, "The responsibility of the commanding officer for his or her command is *absolute*...The authority of the commanding officer is commensurate with his or her responsibility." [Ref. 9, p. 47] The idea of total responsibility and authority no longer seems to exist in the draft SORM, implying a fundamental shift in a CO's role on his or her installation.
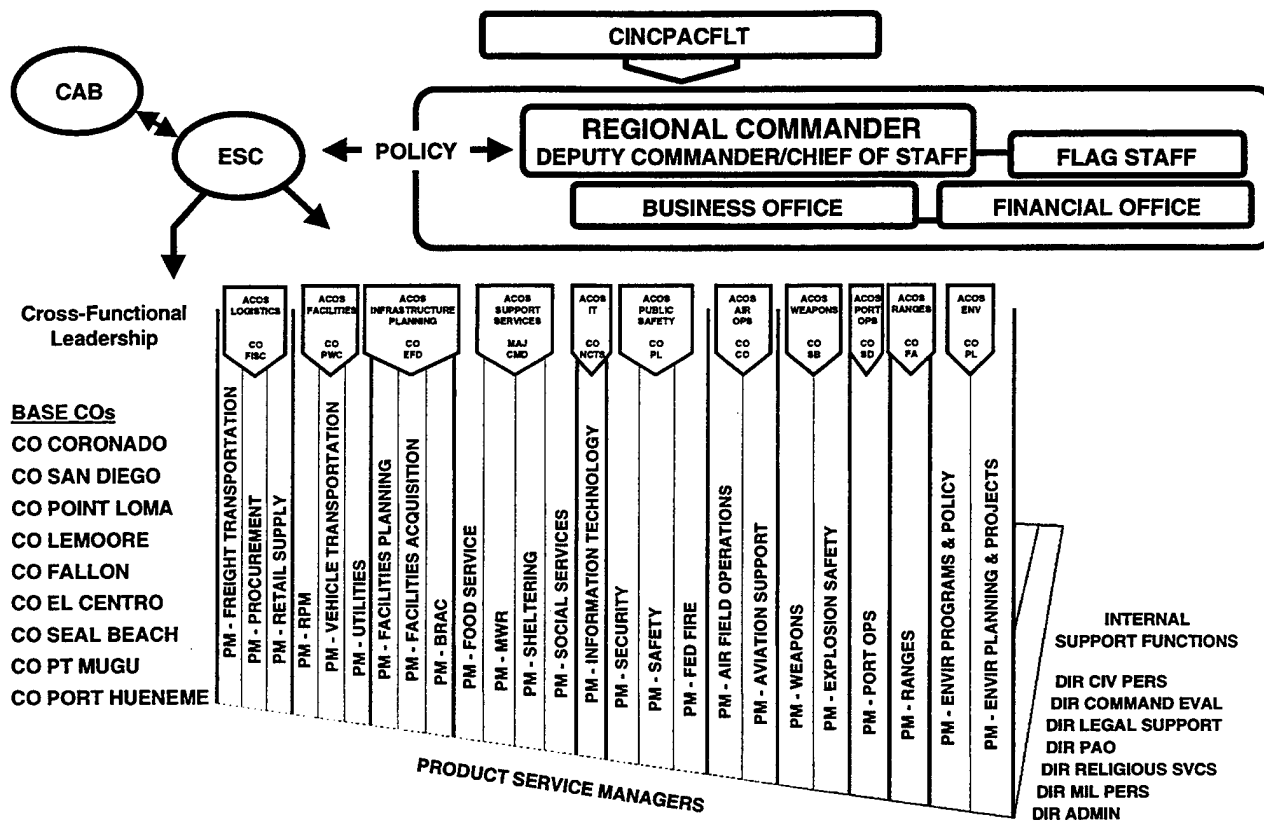
Figure 2. NRSW Regionally Focused Management Structure [Provided by NRSW].

2. Exterior Chain of Command of an Installation

One would think, after our discussion of Installation Claimant Consolidation, that the chain of command of an Installation CO would be relatively simple and uniform. And, in a sense, this is the case. All COs in a region now work directly for the regional commander. The regional commander writes their Regular FITREPs and administers their budgets. So, in this aspect, the chain of command has been simplified.

However, after regionalization, one can no longer use the term "chain of command" in its traditional sense. Whereas before regionalization a CO and his installation were independent, or a "Fort Apache" to use Rear Admiral Froman's preferred term [Ref. 10], after regionalization a base has to rely on a complex web of

relationships to receive services. In other words, a base CO went from "owning" a service or function before regionalization to having "access" to that service.

Figure 2 shows the NRSW implementation of CNO N4's vision of a regionally focused management structure (previously shown in Figure 1). On Figure 2, the NRSW matrix, the functional area programs are listed on the vertical axis. At the top of the vertical axis, the functional area programs are grouped under the ACOS for the appropriate functional area. On the left side of the matrix, all of the bases are listed. They have access, horizontally, to the program areas that fulfill the needs on their installations. On the right side of the matrix, we see the common support directorates that serve the functional program areas, the region, and the installations. They report directly to the region and the regional commander. At the top of the matrix, one can see how the ESC and the CAB interact both with the ACOS's, the individual installations, the region, and each other to address customer concerns, prioritize the needs of the region, and recommend policy to the regional commander. A specific discussion of each of these elements follows.

In NRSW, the Executive Steering Committee (ESC) and the regional staff defined twelve functional areas. An ACOS, or service provider, was assigned to each functional area. The ACOS position is an additional duty assigned to an installation or shore activity CO. It may also be a primary duty assigned to a major-command-screened officer. However, the duties and responsibilities of an ACOS are separate from those of an Installation CO. Functional area assignments were based on the resources and technical expertise available to each ACOS. According to the NRSW draft SORM, the role of the ACOS is to:

- Provide BOS services to authorized customers;
- Allocate resources to functional area programs;
- Establish individual functional area and inter-functional area policy and plans;
- Set service and performance standards;
- Provide functional area technical expertise and training; and
- Establish and track functional area metrics (performance/cost/customer satisfaction). [Ref. 17]

These job roles were previously performed by the appropriate Department Head on an installation before regionalization. Now, however, they are performed by an

ACOS for all of the bases in the region. This requires an incredible amount of coordination among ACOSs, who are usually also COs.

A total of 34 functional area programs were identified in NRSW. Each functional area program was assigned a PM, and each functional area program was placed into one of the 12 functional areas. The PM is responsible to the functional area ACOS for the management and execution of his or her program throughout NRSW. According to the NRSW draft SORM, the role of the PM is to:

- ❑ Determine customer requirements;
- ❑ Provide functional area specific services to authorized customers;
- ❑ Execute functional area program policies and plans;
- ❑ Determine functional area program resource requirements;
- ❑ Manage functional area program resources;
- ❑ Maintain functional area program service and performance standards;
- ❑ Measure functional area program performance (cost/customer satisfaction); and
- ❑ Improve services based on metrics and customer feedback. [Ref. 17]

A program site manager represents the PM within a specific geographic footprint in the region. The geographic footprint can be defined as either a single installation or group of installations. Generally, program site managers are fulfilling roles that used to be filled by installation Department Heads or Division Officers. The main difference is that instead of solely reporting to the base CO, they now report to the PM and the CO.

The title of program site manager is not formal, but instead a general description of the person responsible for managing a functional program at a footprint. In addition to reporting primary duty (PRIDU) to the PM, the program site manager reports additional duty (ADDU) to the CO or COs for the installation(s) supported by the program within the assigned geographic footprint. This means that it is the functional area PM or ACOS who write the Regular FITREPs for program site managers, while Installation COs can write Concurrent FITREPs for the program site managers assigned to their bases.

For COs, the fact that former Department Heads and Division Officers are filling the program site manager positions means that generally the same faces are sitting around the table when staff meetings are conducted. The primary difference caused by regionalization is that most of the people sitting around the table no longer report

primarily to them. According to the NRSW draft SORM, the role of the program site manager is to:

□ Manage the functional program within the assigned geographic area in accordance with regional policy;

□ Convey site specific program resource requirements to the PM;

□ Compile site specific program metrics (cost, performance, customer satisfaction); and

□ Report additional duty to the CO(s) of installation(s) within the assigned geographic area in support of the installation mission. [Ref. 17]

Three additional groups were formed in the NRSW organization as a result of regionalization: directorates, the ESC, and the Customer Advisory Board (CAB). In some of the regionalization documentation, the ESC has been renamed the Regional Advisory Board (RAB); however, both groups fill the same function. Directorates, which are managed regionally by a director, support the NRSW organization in specific internal support functions. In NRSW, these support functions are Civilian Personnel, Command Evaluation, Legal Support, Public Affairs, Religious Services, Military Personnel, and Administration. According to the NRSW draft SORM, the role of a director, which is similar to those of ACOSs and PMs, is to:

□ Provide support services to authorized customers;

□ Manage program resources;

□ Establish and execute regional policy and plans;

□ Establish and track service and performance standards;

□ Provide internal support technical expertise and training; and

□ Establish and track metrics (performance/cost/customer satisfaction). [Ref. 17]

In general, the NRSW ESC evaluates and recommends policy and plans to the regional commander. The ESC is chaired by the regional commander and facilitated by the Regional Business Manager. Its members include: Deputy Commander/Chief of Staff, all NRSW Installation COs, and all ACOSs. Directors attend ESC meetings in an advisory capacity, as does the Regional Comptroller, Assistant Business Manager, Functional Team Oversight Manager, and a Union Representative (non-voting). According to the NRSW draft SORM, the role of the ESC is to:

- Assist the commander in defining and deploying strategy;
- Allocate resources;
- Monitor performance and customer feedback; and
- Identify areas for investment and improvement. [Ref. 17]

Finally, the CAB serves as the executive link to the region's customers and stakeholders. According to the NRSW draft SORM, the role of the CAB is to:

- Conduct periodic regional performance reviews;
- Obtain and evaluate customer feedback; and
- Communicate policies and plans to customers and stakeholders. [Ref. 17]
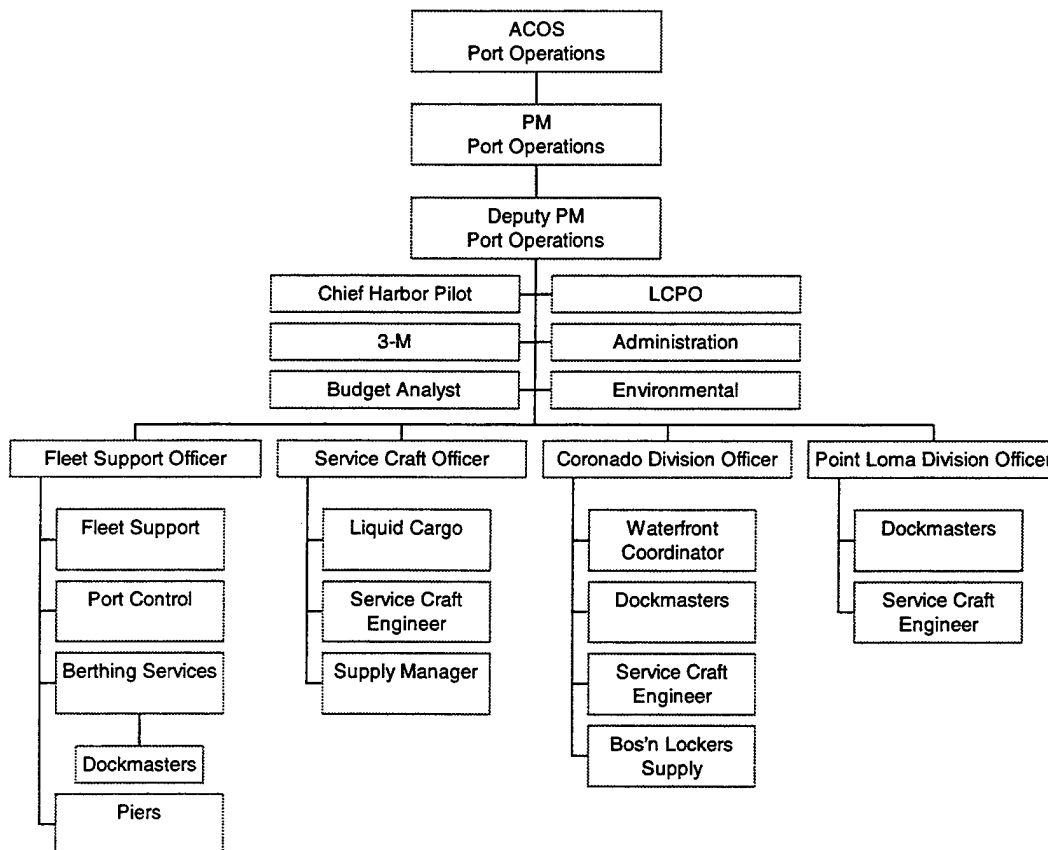
Figure 3. NRSW Port Operations [After Chart Provided by NRSW Port Operations PM].

Figure 3 is the organizational chart for the Port Operations program area in NRSW. At the program level, a more standard, hierarchical organizational structure is adopted. It is easy here to trace the flow of power and authority from the ACOS, through the program manager, to the various Division Officers (also called program site managers). Budgets, as well as FITREPs and performance evaluations, also follow this chain. The deceiving part of this simple diagram, however, is that the various Division Officers are located throughout San Diego County and indeed the region, requiring a complex communications and coordination network. These Division Officers are managing the Port Operations functions at various bases and are ADDU to the COs of the bases on which they work.

3. Role of Commander Navy Region Southwest

On 02 February 1999 the CNO changed the official name of CNB San Diego to Commander, Navy Region Southwest (CNRSW) [Ref. 18]. The transition "...from being a regional coordinator as COMNAVBASE to a Regional Commander..." also led to a new mission for the former CNB San Diego organization [Ref. 19]. The CNO assigned the following mission to NRSW:

> To provide consolidated base operations support as defined by the Core Business Model; to own and provide facility and land space management within its designated region and Navy concentration area; to exercise coordination and command of assigned shore organizations; to provide support to homeported and transient ships, submarines and aircraft as well as afloat and ashore tenants, military and dependent personnel, and to perform such other functions and tasks as may be assigned by higher authority. [Ref. 18]

NRSW, in the mission statement in their draft SORM, proposes a statement of mission/vision/Guiding Principles that is perhaps more in tune with the changing shore installation management environment and structure. Surprisingly, the mission statement in the NRSW draft SORM is different than the mission that the CNO previously assigned. It reads:

Mission: We are a regional team dedicated to providing the highest level of base operating support and quality of life services for all operating forces and shore activities in the Navy Southwest Region.

Vision: We will be recognized as the leader in shore installation management. One team, one voice, one mission.

Guiding Principles **(DRAFT)**:

(1) WE ARE A TEAM

As a team, we maintain a regional perspective. In a spirit of cooperation, we pool our resources and direct investment effectively to meet the needs of our customers and stakeholders region-wide.

(2) WE ARE BOUND BY PARTNERSHIPS

Our team is founded on partnerships and the continuous, effective communication that these partnerships foster. Communication is an essential element to resolve cross-functional issues and to effect improvement and change.

(3) WE VALUE OUR CUSTOMERS AND OUR STAKEHOLDERS

We maintain strong partnerships with our customers and stakeholders. We request customer feedback and measure customer satisfaction. We are friends with our communities and to the environment. We respect our employees, train them well, and empower them to perform their duties.

(4) WE ARE DEDICATED TO QUALITY AND BEST VALUE

We respond to customer feedback to provide the best quality service at the best price. We set high standards. We measure our costs and continuously seek ways to provide better value. We compete and privatize services that can be performed better and at lower cost outside of our organization.

(5) WE EMBRACE CONTINUOUS IMPROVEMENT AND CHANGE

We embrace change that benefits our organization and our customers. We benchmark and employ private business practices that make us a better organization. We seek and employ those technologies that allow us to perform most efficiently and effectively. [Ref. 17]

This statement of mission, vision, and guiding principles is interesting in that emphasizes exactly the traits that are necessary in the newly implemented regional matrix structure. The concept of teamwork is mentioned several times, as are the issues of communication and cooperation. These issues are essential now that program site managers report to two bosses and that COs and ACOSs must coordinate their activities to accomplish the various installation missions. This statement also disseminates clearly how CNRSW expects the organization to function in its new environment and with its new structure.

CNRSW, in order to manage the regionalization process and subsequent installation management activities of the region, also established a Regional Business Office. As shown in Figures 1 and 2, the business office appears at the top of the matrix in the square between the regional commander and the ACOSs. Figure 4 depicts the NRSW Business Office and the organization that it has established.

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      ┌─────────────────────────────────────────┐
      │  Commander, Navy Region Southwest        │
      └─────────────────────────────────────────┘
                         │
            ┌────────────────────────────┐
            │       Business Manager      │
            │  Assistant Business Manager │
            └────────────────────────────┘
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   ┌─────────────────────┼─────────────────────┐
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│ Functional Team  │ │   Financial      │ │   Competition    │
│    Support       │ │   Operations     │ │    Support       │
└──────────────────┘ └──────────────────┘ └──────────────────┘
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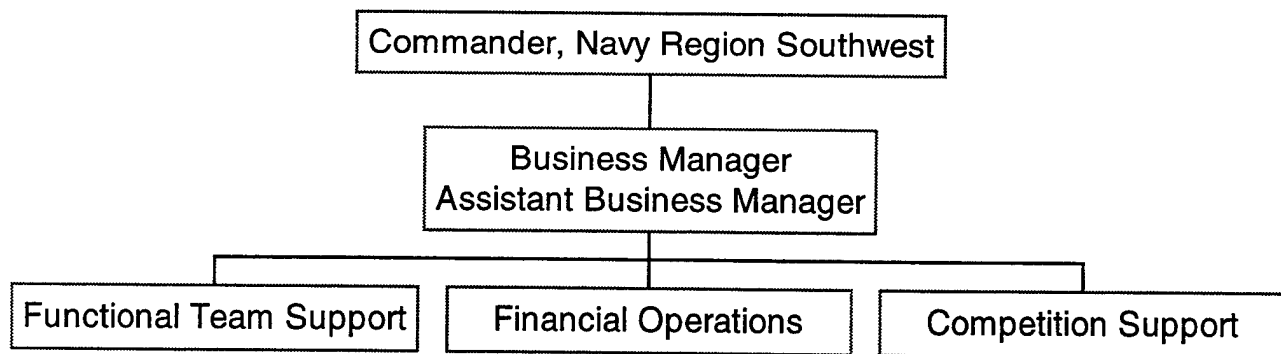
Figure 4. NRSW Business Office [After Chart Provided by NRSW].

A regional business manager, who works for the regional commander, directs the activities of the Regional Business Office in its role to facilitate business process reengineering in the NRSW. According to the NRSW draft SORM, the role of the Business Office is to:

- Coordinate the development of strategic and tactical plans in support of the regional mission and vision;
- Coordinate the development and execution of regional resource policy;
- Facilitate business process reengineering in the NRSW;

- Coordinate the Regional Reinvention Lab program;
- Assist ACOS's and directors in the development and tracking of performance and cost metrics, and customer and employee satisfaction;
- Coordinate outsourcing and privatization initiatives and actions; and
- Facilitate regional working groups such as the ESC and CAB. [Ref. 42]

Finally, NRSW's draft SORM also explicitly lays out the relationships between CNRSW and all of the commands in the new region that it could affect. As discussed previously, NRSW Installation COs, in general, report directly to CNRSW. Appendix E contains the article from the NRSW draft SORM that details command relationships in the region.

In summary, prior to regionalization the installations in the region were independent entities. Chains of command and the flow of BOS funding, which can be equated to the flow of power, was widely dispersed. Installation Claimant Consolidation had the effect of reducing the divergence of these pathways. This consolidation provided to CINCPACFLT and CNRSW the focused power necessary to accomplish the massive restructuring detailed in this chapter. The restructuring involved shifting from utilizing a traditional, hierarchical, installation chain of command to a regional matrix structure. This matrix introduces an entirely new way of managing shore installations to NRSW, and has changed the network and the nature of professional relationships that exist in the shore establishment.

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III. OVERVIEW OF POWER, AUTHORITY, ORGANIZATIONAL STRUCTURE AND DESIGN STRATEGY

A. POWER

1. Definition of Power

> Power is America's last dirty word. It is easier to talk about money—and much easier to talk about sex—than it is to talk about power. People who have it deny it; people who want it do not want to appear to hunger for it; and people who engage in its machinations do so secretly. [Ref. 20, p. 65]

Kanter's observation is seen quite often in the popular literature concerning power. This view of power, however, is oversimplified. To analyze the effects of regionalization on the power of an Installation CO, it is necessary to understand in depth the types and sources of power available to a CO.

Military Officers spend most of their careers leading the men and women who chose to enlist in the Armed Forces. The concept of leadership is emphasized in the initial training of officers, and they are subsequently evaluated on the strengths and weaknesses of their leadership capabilities. Effective leaders are promoted and given positions of greater responsibility. Poor leaders are forced out of the military. As a result of this focus on leadership, military officers sometimes confuse the concepts of leadership and power, thinking that they are one and the same. Though the concepts of power and leadership are closely intertwined [Ref. 21, p. 156], there are significant differences that should be highlighted prior to an extensive discussion of the types and sources of power in the military. After defining the term "power," the interrelationship between power and leadership will be addressed.

To discuss the types and sources of power available to an Installation CO, one must first decide on how to define power. This is not as simple a task as it seems, as there are many variations of the definition of this word. Mintzberg points out correctly that in French the word "pouvoir" stands for both the noun "power" and the verb "to be able." Perhaps people have trouble expressing power in English because the term is used

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only as a noun. We tend to use other terms such as "controlling" or "influencing" to express the act of using power. [Ref. 22, pp. 4-5]

One of the first definitions of power came from the German sociologist, Max Weber. He defined "macht" or power as "...the probability that one actor within a social relationship will be in a position to carry out his own will despite resistance, regardless of the basis on which this probability rests." [Ref. 23, p. 152] Mintzberg proposed a more contemporary definition in 1983 in his classic book, Power In and Around Organizations. Using terms that are more closely related to modern organizational structures than Weber, he defined power as "...the capacity to effect (or affect) organizational outcomes." [Ref. 22, p. 4] While Weber's definition is interesting because it focuses on the social and personal interactions that could occur between Installation COs and the people that report to them, Mintzberg's definition is appealing because it focuses on accomplishing the mission of the organization, or in our case the military installation.

Pfeffer provided a slightly different variation in his 1992 book, Managing with Power. He stated, "Power is defined here as the potential ability to influence behavior, to change the course of events, to overcome resistance, and to get people to do things that they would not otherwise do." [Ref. 24, p. 30] This definition highlights both the potentiality of power, as well as the concept of a linkage between power and changing a person's behavior.

Even Mr. Richard Nixon, quoted in Pfeffer's book, has weighed in with his own opinion on how to define power. "Power," he stated, "is the opportunity to build, to create, to nudge history in a different direction." [Ref. 24, p. 24] Though these definitions of power are all widely quoted by both researchers and authors of popular literature, the manner in which Stephen Robbins defined power seems to fit most closely with the context of the relationships between Installation COs and their people. He stated:

> Power refers to a capacity that A has to influence the behavior of B, so that B does something he or she would not otherwise do. This definition implies (1) a *potential* that need not be actualized to be effective, (2) a *dependence* relationship, and (3) that B has some *discretion* over his or her own behavior. [Ref. 21, p. 155] (His italics)

A key part of Robbins' definition is his emphasis on potential. Power may exist, but not be utilized. Very often merely the existence of power, or the perception of its existence, is enough to alter someone's thoughts or course of action. This is especially applicable in a military environment. Everyone assigned to a military base understands that the CO is absolutely responsible for all that occurs on that installation. It is also understood that a CO, due to this absolute responsibility, also has the authority to carry out his responsibilities. Very often the fact that a person is cognizant of this uniquely military situation is enough to alter their behavior, or how they perform their job, consistent with Robbin's definition.

Robbins also mentions that a dependence relationship is implied by his definition of power. On a military installation, this dependence relationship is present and clearly defined. Superiors depend on their subordinates for the accomplishment of the installation's mission. Subordinates depend on their superiors for positive FITREPs or performance evaluations, and also for the resources that are needed to perform their jobs.

Therefore, Robbins' definition will be the basis for this thesis' discussions of power. A few final notes about defining power. Power is by definition neutral; it is neither positive nor negative. The crucial issue is how people, or in this case military officers, use power. These personal choices result in the positive or negative connotations of power. Unfortunately most people's experience with power, military included, has been negative. [Ref. 25, p. 50]

This overview of power returns us to the difficulty that many military officers have in separating the concepts of "power" and "leadership." Berlew and Heller state, "Leadership is the positive exercise of power. Using power positively and with impact is what leadership is all about." [Ref. 26] Kotter states, "Assessing power correctly is an important leadership skill..." [Ref. 27, p. 67] It is clear, therefore, that linkages exist between power and leadership. Robbins further analyzes these intertwined concepts. He states:

> Leaders use power as a means of attaining group goals. Leaders achieve goals, and power is a means for facilitating their achievement. [Ref. 21, p. 156]

However, Robbins also points out the differences between leadership and power. "Leadership," he states, "requires some congruence between the goals of the leader and the led." Power, on the other hand, does not require goal compatibility, merely some

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form of dependence. [Ref. 21, p. 157] A military example of this congruence can be seen in a situation where a superior takes an action that is good for his or her career, but not necessarily good for the organization. In this case, no congruence exists between the goals of the leader and of the organization. Most likely, the people in the organization would characterize the superior in this incident as using power negatively, or exercising negative leadership. This difference between power and leadership is extremely relevant in military situations, especially when change is occurring or has occurred, as in NRSW. This thesis will focus specifically on the effects of this change on the concept of a COs use of power, not how a CO exercises leadership.

2. Types and Sources of Power

French and Raven wrote one of the first papers attempting to classify the sources of power. They used a five-category classification scheme and proposed five bases of power: reward, coercive, legitimate, referent, and expert power [Ref. 28, p. 308]. These categories have been further refined and studied by researchers. Today, there is virtuously unanimous agreement that there are two generic types of power—personal and positional--and that each type has several sources [Ref. 29, p. 6]. Berlew and Heller give a good general overview not only of these two types of power, but also the necessity of using both types. They state:

> Power can be positional or personal. Positional power comes with the turf, with the role that we occupy; for example, managing partner, chairman or father. However two managing partners, both with the same positional power, can differ greatly in their impact and effectiveness. A major reason for this difference lies in their ability to exert influence independent of their position or authority, i.e., their personal power. [Ref. 26]

Positional power, according to Hill, has five sources: formal authority, relevance, centrality, autonomy, and visibility [Ref. 29, pp. 6-8]. Formal authority reflects a person's position in the hierarchy of an organization. In the pre-regionalization structure of a shore installation discussed in Chapter II, for example, the CO was at the apex of the organization and possessed a large amount of formal authority. This concept will be discussed in more detail in the following section on authority.

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Relevance refers to the extent a person's activities are aligned with the organization's priorities. People who are performing jobs closely related to the organization's goals or priorities will be more powerful than those whose activities are more peripheral. For example, in the U.S. Navy, officers who are performing duties directly related to a warfare specialty will generally be perceived as more powerful than officers performing a staff or support function. [Ref. 29, p. 6]

Centrality refers to a person's location in important organization networks. People in more central positions in the network tend to have more power because others in more peripheral positions must depend on them for access to resources or for getting unique or critical tasks done. Very often an Installation CO will direct that all correspondence and messages be viewed by the XO prior to arriving on his desk. This places the XO in a very central position in the installation network, increasing the XO's positional power. [Ref. 29, p. 7]

Autonomy indicates the amount of discretion or freedom to exercise judgement a person has. In general, the more autonomy a person has, the more power the person will also have. This is because with autonomy comes the latitude to demonstrate initiative and to innovate—in short, to lead and shape the direction in which the organization will head. [Ref. 29, p. 7]

Finally, visibility deals with whether a person's job performance is obvious to an organization's hierarchical leadership. Employees whose performance is visible to powerful people in the organization tend to have more power than those in jobs where their performance is less obvious. The adage "out of sight, out of mind" ties directly with this source of positional power. [Ref. 29, pp. 7-8]

Personal power, according to Hill, is derived from four factors: expertise, track record, attractiveness, and effort [Ref. 29, pp. 8-10]. Expertise refers to task or organizationally relevant competencies. The more unique and critical a person's expertise, the more important it will be as a source of power. Technical expertise is the common focus in this area, but expertise in either the ability to manage work relationships or the ability to conceptually see the enterprise as a whole are also important arenas for developing expert power. [Ref. 29, p. 8]

A person's track record can be defined as the experiences that he or she has had with the organization or outside the organization relevant to the current organizational tasks or goals. To quote Hill, "...it is not just what they have done, but how they have done it." [Ref. 29, p. 8] Track record, as with most of these sources of personal power,

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can have a negative vice positive effect. If a person develops a reputation as a back-stabber, he or she may have trouble exerting personal power in the organization. [Ref. 29, pp. 8-9]

Attractiveness is probably the most controversial source of personal power. This area includes not only attractive behavior, but also an attractive physical appearance. Hill states that according to research, individuals who are perceived as attractive, rightly or wrongly, are also perceived to be effective and ethical people. Attractiveness is also a subjective trait. Someone perceived to be attractive to a warfare community in the U.S. Navy might not appear attractive to the leadership of an installation. The cliche "beauty is in the eye of the beholder" is especially relevant in this situation. Another example of this subjectiveness is youth. In the United States, a youthful appearance can be a valued asset to an older manager. In China, however, age has been traditionally equated with wisdom. Therefore, managers may be considered too young for an important position. [Ref. 29, pp. 9-10]

The last source of personal power is effort. In general, those who devote higher than expected effort to their work obtain more power than those who do not. These people are viewed as more committed and as making a greater contribution to the organization. Again, this is a subjective trait. There are well-documented examples in which people are ostracized for working "too hard" and making the other members of the organization look bad. [Ref. 29, p. 10]

The key to managing personal and positional power is finding the right balance for each situation. Kanter argues that positional power, i.e., access to resources and information, is the real key to power. She states that a lack of this type of power "...creates ineffective, desultory management and petty, dictatorial, rules-minded managerial styles." [Ref. 20, p. 65] Rubin, however, states, "An overreliance on positional power is a fundamental cause of many of today's organizational ills." [Ref. 25, p. 49] In this type of environment, the organizational culture is often characterized by fear.

It seems, therefore, that leaders and managers must use both positional and personal power if they are to be successful. Berlew and Heller state, "Effective leaders must be personally comfortable with using power and influence, understand the differences between positive and negative power, and have the influence skills required to bring about positive outcomes." [Ref. 26]

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3. Power and the Environment

If one examines a hierarchical organization in a vacuum, it would be easy to identify the locations of power simply by looking at an organigram, and perhaps, some position descriptions. However, organizations do not exist in vacuums. Many forces in their environments influence them. Hill states, "The distribution of power and influence in organizations is generally aligned with the realities they face." [Ref. 29, p. 5] Power will generally ebb and flow between parts of the organization as the organization's environment or competitive pressures change.

Salancik and Pfeffer authored in 1977 a classic article concerning power and the environment. They proposed a model of power called the strategic-contingency theory. This theory states that power accrues to the parts of the organization that cope with critical problems:

> To the extent that power is determined by the critical uncertainties and problems facing the organization and, in turn, influences decisions in the organization, the organization is aligned with the realities it faces. In short, power facilitates the organization's adaptation to its environment— or its problems. [Ref. 30, p. 5]

The example that Salancik and Pfeffer give is that of an organization facing lawsuits that pose a threat to its existence. In this situation, the legal department can be expected to gain power and influence over organizational matters that they never before had. This power and influence may extend into areas beyond legal expertise, as people defer to the legal department to avoid future conflicts for the organization. In time, it is even possible that the head of the legal department could become the president of the organization. [Ref. 30, p. 5]

This theory of power can be further refined to state that "power organizes around scarce and critical resources." [Ref. 30, p. 8] This statement focuses on the control and distribution of the resources that are deemed by the organization to be scarce or critical. These resources could be financial, or as in the example above, legal expertise. The struggle for the control, organization, and distribution of scarce and critical resources could turn each resource into the site of a major battleground in the struggle for power. Proof of this is found in DOD's budget process. The different service branches are in

constant competition to guard or even increase their portion of the ever-decreasing defense budget.

This theory of power also indicates that as the critical contingencies and the environment around an organization change, so too will the power of individuals or sub-units within the organization. In NRSW, a new structure was implemented to attempt to better adapt the organization to the changes in the environment that it was facing, i.e., a significant decrease in funding. A result of this change was a significant modification of the power that an Installation CO traditionally held. Salancik and Pfeffer state:

> To understand power in an organization one must begin by looking outside it—into the environment—for those groups that mediate the organization's outcomes but are not themselves within its control. [Ref. 30, p. 20]

The downside of this distribution theory of power is that while a dominant coalition, individual, or sub-unit possesses an unusual amount of power, they may institutionalize that power. This means that they could create structures, policies, and procedures to guarantee their power. Organizational culture could further deepen the institutionalization of power [Ref. 29, p. 5]. This institutionalization of power could be very hard to overcome, reducing the ability of the organization to quickly react to changes in the environment. Salancik and Pfeffer state that, in time, the more institutionalized power is, the more likely an organization will be out of phase with its environment [Ref. 30, p. 19].

B. AUTHORITY

The term "authority" is often used interchangeably in the organization and management literature with the terms "power" and "influence." Webster's Ninth New Collegiate Dictionary even lists these terms as synonyms for one another. However, the difference between "power" and "authority" needs to be clarified if one is to truly comprehend the concept of power. In fact, authority is a subset of formal or positional power. It is one of the five types of positional power and can be described as "...the

power vested in office, the capacity to get things done by virtue of the position held."
[Ref. 22, p. 5]

Weber was one of the first to write about authority. He described three pure types of legitimate authority. The first is legal or rational authority. For this authority to be legitimate, the people subjected to this type of authority must believe that the person in charge has the right to be in control under a system of law or rules [Ref. 31, p. 46]. This type of authority characterizes how a democratically elected government or a bureaucracy operates. Most power or authority nowadays is bureaucratic [Ref. 32, p. 59].

The second type of legitimate authority is traditional. Traditional authority rests "on an established belief in the sanctity of immemorial traditions and the legitimacy of the status of those exercising authority." [Ref. 31, p. 46] In other words, in this type of system, people pledge obedience "to someone who occupies a traditional or inherited position of authority, such as in theocracies, patriarchies, and family businesses like the House of Windsor or Anheuser-Busch." [Ref. 32, p. 59]

The final type of legitimate authority is charismatic. Weber states that people follow a charismatic leader because of his exemplary character or behavior [Ref. 31, p. 46]. Under the definition of power used in this thesis, charismatic authority results from the different sources of personal power, including both physical attractiveness and behavior.

A person who has authority can transfer it or delegate it to another person [Ref. 22, p. 140]. This is a unique aspect of authority. None of the other sources of positional power or any of the sources of personal power can be transferred or delegated like authority. The delegation of authority is a key concept in the Armed Forces, and the process of how much or what kinds of authority to delegate is precisely described in the governing regulations of the services. In this thesis I will use the term "chain of command," similar to Mintzberg's "Full Chain of Authority," to describe the hierarchy used to delegate formal power or authority to make certain decisions and take certain actions [Ref. 22, p. 149]. This term also includes the systems in that hierarchy that ensure that the delegated authority is used in the organization's interests.

C. ORGANIZATIONAL STRUCTURE, STRATEGY, AND COMMUNICATIONS

1. Definition of an Organization

Robbins, quoted in Burton and Obel's book <u>Design Models for Hierarchical Organizations: Computation, Information, and Decentralization</u>, provides an excellent definition of an organization:

> An organization is the planned coordination of the collective activities of two or more people who, functioning on a relatively continuous basis and through the division of labor and a hierarchy of authority, seek to achieve a common goal or set of goals. [Ref. 33, p. 6]

Burton and Obel, in analyzing Robbin's definition of an organization, state that each word in the definition is important. They also point out that although most organizations adopt a hierarchical form, other forms are possible [Ref. 33, p. 6]. In fact, Mintzberg described five major types of organizations in his book <u>Structure in Fives: Designing Effective Organizations</u>. Some of these alternate forms, such as matrix organizations and virtual organizations, are becoming more and more popular in the current business environment.

2. Public Organizations

Public organizations receive special attention in the literature because they are especially dependent on their environments. Whereas a private organization is usually created with the primary goal of making a profit, a public organization, such as a government agency, is created in response to a specific demand from a group, organization, or powerful individual in the environment. The goals and purposes of a public organization are determined, at least initially, by the environment and they must depend on the environment for financial and human resources. For example, in the case of a government agency, both financial resources and missions originate in Congress. A private agency, on the other hand, has relatively more autonomy in deciding its proper direction, and is not accountable to Congress.

Finally, after a public organization is created, it must continuously foster acceptance and support for its activities from the environment. As such, public organizations are particularly sensitive to their environments [Ref. 34, p. 56]. How public organizations in particular adapt to their environments will be discussed in more detail in the following sections.

3. Organizational Design Strategy

Organizational design and strategy writings can be traced back to the first half of the twentieth century, when authors such as Fayol, Gulick, and Urwick recorded their ideas on the structuring of organizations. Their theories reflected their own experiences as practitioners in a few industries—such as mining, automobiles, and railroads [Ref. 35, p. 314]. Fayol, considered the father of the "Principles of Management" school, was concerned in 1916 with principally the idea of formal authority. He, along with Gulick and Urwick, wrote extensively about the ideas of "unity of command (the notion that a 'subordinate' should have only a single 'superior'), scalar chain (the direct line of this command from chief executive through successive superiors and subordinates to the workers), and span of control (the number of subordinates reporting to a single superior)." [Ref. 36, p. 8]

They believed their experiences in the mining, automobile, and railroad industries were applicable to other industries. Furthermore, they felt that people were motivated solely by money [Ref. 35, p. 314]. We now know that employees' needs at work are varied and complex and that also there is no one best way for an organization to be structured. In fact, according to Lorsch, "...the appropriate organizational form depends upon the human and business situations facing the firm." [Ref. 35, p. 314]

In light of Lorsch's ideas on organizational structure, the following definition of strategy is appropriate.

> The organization's strategy is a statement of the environment(s) or business(es) relevant to the organization, the purposes of the organization within that context, and the specific means for achieving these goals. In a sense, then, the strategy defines the environment in which an organization operates. [Ref. 35, p. 315]

Mintzberg provides several definitions of structure that are helpful in tying together our discussions of organizational design and strategy. He states:

> The structure of an organization can be defined simply as the sum total of the ways in which its labor is divided into distinct tasks and then its coordination is achieved among these tasks. [Ref. 36, p. 2]

> The elements of structure should be selected to achieve an internal consistency or harmony, as well as a basic consistency with the organization's situation—its size, its age, the kind of environment in which it functions, the technical systems it uses, and so on. [Ref. 36, p. 3]

To summarize, we can say that the structure that an organization chooses to implement assists that organization in accomplishing its strategy in light of the pressures of the internal and external environments that the organization faces. Structure also plays an important role in defining the location and strength of positional power in an organization.

4. Types of Organizational Structures

Mintzberg, in his 1981 paper *Organization Design: Fashion or Fit?* and later in his book, <u>Structure in Fives: Designing Effective Organizations</u> stated that the structures that organizations adopt could be grouped into five different categories or configurations. These configurations are:

- ❏ the Simple Structure,
- ❏ the Machine Bureaucracy,
- ❏ the Professional Bureaucracy,
- ❏ the Divisionalized Form, and
- ❏ the Adhocracy. [Ref. 35, p. 333]

An organization that has chosen a simple structure usually has one large unit with one or a few top managers who make all decisions. There is also a group of operators who do the basic work. Little of its behavior as an organization is standardized or formalized; and there is minimal use of planning, training, or liaison devices. There are few analysts and middle line managers because the strategic apex of the company conducts most of the planning and coordination.

In this type of structure, the real positional power lies in the strategic apex. The structure is lean and flexible. The environment that this configuration operates in is often dynamic. To quote Mintzberg, these organizations "can turn on a dime and run circles around the slower-moving bureaucracies." [Ref. 35, p. 336] Simple structure organizations are often young and small, but also very vulnerable as the sudden loss of one top executive can wipe out the decision-making capability of the organization. Examples of simple structure organizations are an automobile dealership, a brand-new government department, a middle-sized retail store, a corporation run by an aggressive entrepreneur, and a school system in a state of crisis. [Ref. 36, p. 157]

The second type of configuration is the Machine Bureaucracy, a configuration resulting from industrialization. This structure supports standardization of work, and it is characterized by low-skilled, highly specialized jobs. This type of organization requires many analysts to design and maintain the systems of standardization, and there is usually a sizable corps of middle line managers to oversee the workers. The formal power here is still concentrated in the strategic apex. There is also a sizable support staff whose purpose is to ensure the stability of the organization and attempt to both predict, and develop reactions to, changes in the environment. These organizations can perform all of their support services in-house and not have to depend on a, perhaps, unstable external environment [Ref. 35, p. 337].

Most military organizations are Machine Bureaucracies. For the military, this type of structure provides the standardization and control necessary when operating dangerous weapons systems. Due to the emphasis on standardization, this structure also ensures that different parts of the organization (i.e., different ships or aircraft) will react similarly in like situations. This allows military leaders, in the chaos of combat, to control as many variables as possible, since the enemy is unpredictable. Other examples of Machine Bureaucracies are a national post office, a security agency, a giant automobile company, an airline, a prison, a steel company, or even McDonald's [Ref. 36, p. 163].

The third configuration is the Professional Bureaucracy. This type of configuration pursues the standardization of skills rather than work processes or outputs. It must rely on highly educated professionals to accomplish its goals or mission. These people must be given a considerable amount of control over their work. As a result, in this configuration the professionals in the operating corps have quite a bit of power, and the strategic apex, itself, is relatively powerless compared to the first two configurations.

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The support staff tends to be quite large as it is not cost effective to have high-priced professionals perform simple, routine jobs. This type of configuration tends to find itself in complex, yet stable environments [Ref. 35, p. 341]. Examples of Professional Bureaucracies are universities, hospitals, school systems, public accounting firms, social-work agencies, and craft production firms [Ref. 36, p. 189].

The fourth configuration is the Divisionalized Form. An organization that has a divisionalized structure is usually a large company that has diversified its products. As such, it usually consists of several market-based units, each of which is self-sufficient and produces a separate product, and which is tied together by a parent holding company. Therefore, a Divisionalized Form usually consists of a group of machine bureaucracies with an extra layer of management tying them together.

Usually, each division has considerable autonomy to run its own business. Therefore, the managers of the divisions, considered the middle line, retain a considerable amount of power. A small support staff to provide certain services common to the divisions, such as legal advice and public relations, usually characterizes the headquarters organization. Divisionalized organizations operate in an environment of market diversity, and the strategic apex of the company relies on measuring the outputs of the divisions as a means of control [Ref. 35, p. 342]. The vast majority of Fortune 500 companies, large multiple campus universities, and some large hospital systems are examples of this type of configuration [Ref. 36, p. 215]. The Armed Forces, at the Pentagon level, also could be considered as using a Divisionalized Form.

The fifth and final configuration is the Adhocracy. These types of organizations represent society's more modern industries. The primary need of these organizations is to be innovative in complex environments. This configuration is characterized by "project structures" which bring together technical experts from different specialties into "smoothly functioning creative teams." [Ref. 35, p. 344]

In general, it is hard to describe an Adhocracy because there is not one standard form. Its structures tend to be extremely fluid, and power is constantly shifting. In fact, power flows to wherever the experts needed for a particular decision happen to be found, not according to status or authority. Coordination and control are accomplished by mutual adjustment through the informal communication and interaction of competent experts. Liaison devices, such as integrating managers, task forces, and matrix structures, are key in this type of organization. A blurring occurs between the support staff, the

operating core, and the strategic apex as the project teams draw on the resources they need to accomplish their missions.

Adhocracies are generally found in environments that are complex as well as dynamic. The problem with an Adhocracy is that communication is costly and difficult. Mintzberg states, "Ambiguity abounds, giving rise to all sorts of conflicts and political pressures." [Ref. 35, p. 347] Examples of Adhocracies are space agencies, an avant-garde film company, a factory manufacturing complex prototypes, and an integrated petro-chemicals company [Ref. 36, p. 253]. The organization that is the focus of this thesis, Navy Region Southwest, also adopted a matrix structure, which is a type of Adhocracy, as part of the regionalization process.

5. The Adhocracy with a Matrix Structure

Some organizational scientists, such as Burton and Obel, consider matrix organizations as a separate organizational configuration [Ref. 37, p. 48]. Though it is clear that matrix organizations are becoming more popular [Ref. 35, p. 347], this thesis will use Mintzberg's original five organizational configurations as its theoretical base. The term "matrix organization" in this thesis will actually refer to an Adhocracy that is using a matrix structure as a liaison device [Ref. 36, p. 86]. A matrix structure, according to Mintzberg, is considered to be an organization's "ultimate liaison device." [Ref. 36, p. 86] Matrix structures are used when an organization has to balance two concerns or needs represented by different interests or chains of command.

Burton and Obel provide another way to describe a matrix organization. They state that it consists of "a dual hierarchy (such as function and projects) [that] manages the same activities and individuals at the same time." [Ref. 37, p. 48] They go on to state:

> The matrix configuration is used to take care of the coordination in a functional organization when the coordination requirements are so high that the regular functional configuration is ineffective and the interdependencies between products are so many that a divisional configuration is not an efficient configuration. The goal is to obtain both functional specialization and efficiency as well as project focus to realize an end objective effectively. [Ref. 37, p. 62]

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In a matrix configuration, when one element is adjusted, all of the other involved elements may also require adjustments. This is what Burton and Obel call "...the jello (sic) effect: you touch it and it moves everywhere." [Ref. 37, p. 65] Fortunately, because of the flexibility that a matrix structure brings to an organization, it is easy to make those adjustments. Burton and Obel go on to state:

> The rationale for the matrix configuration is its focus on the customer, product, program, or markets, its ability to adjust to uncertainties in a timely fashion, and its ability to use source functional resources efficiently. The goal is to capture the effectiveness of the division as well as the efficiency of the functional configuration under uncertainty. [Ref. 37, p. 65]

To have a matrix structure, though, the organization must set up a dual authority structure, i.e., the organization must sacrifice "the principle of unity of command." [Ref. 36, p. 86] Though initially this dual authority structure seems to violate every principle that has ever been taught with regard to the flow of formal authority and chain of command, Galbraith, quoted in Mintzberg's book, stated, "Almost all of us were raised in the dual authority system of the family..." [Ref. 36, p. 86] Therefore, dual authority should be familiar to us.

What makes matrix organizations unique is that a delicate balance of power is created among the different interests. According to Mintzberg:

> Sayles goes on to suggest that matrix structure is for organizations that are prepared to resolve their conflicts through informal negotiation among equals rather than recourse to formal authority, to the formal power of superiors over subordinates and line over staff. In effect, he seems to be telling us—picking up on Galbraith's point about the family—that matrix structure is for grown-up organizations. [Ref. 36, p. 87]

Although a great degree of flexibility can be gained by a matrix structure, matrix organizations are far from perfect. Without unity of command, confusion, stress, and conflict can be commonplace. Participants in a matrix organization must possess or develop considerable inter-personal skills and tolerance for ambiguity. The delicate balance of power must be maintained between the two axes on the matrix, as a shift in any direction will revert the organization back to a hierarchy. Maintaining this delicate balance requires significant coordination and negotiation, which in turn entails using a

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great deal of personal, vice positional, power. Top management can become overloaded as they resolve the many disputes that arise between matrix participants. Finally, the high level of coordination that is required in a matrix entails significant amounts of communication, meaning that considerable amounts of time and money must be spent "...discussing rather than doing work..." [Ref. 36, p. 89] Burton and Obel, in summarizing the advantages and disadvantages of a matrix structure, aptly stated:

> In brief, a well-run matrix can be a marvel of effectiveness and efficiency; a poorly managed matrix can be a disaster and ruinous. Managerial attitude and skill are essential. [Ref. 37, p. 65]

According to Heffron, there is considerable evidence that when confronted with a turbulent environment, hostility, or scarcity of resources, public organizations seek predictability and order. Since they are unable to find that in their external environments, they tend to seek it internally, through bureaucracy. This means that they tend to increase centralization and control [Ref. 34, p. 85]. This observation suggests that public organizations would shy away from matrix structures.

In addition, public organizations seem to have less flexibility in altering their structures than private organizations do. This is caused, in part, by the various mandates placed on a public organization from, for example, Congress, and also by the slow reactions to changes in the environment that bureaucracies tend to display. As a result, public organizations tend to rely more heavily on environmental management techniques (such as public relations) than structural change. [Ref. 34, p. 85]

6. Describing and Measuring an Organization's Environment

Thus far, we have seen how the environment affects power and organizational structure. Almost all organizational theorists agree "...that there must be a fit between the environment and the organization." [Ref. 37, p. 144] How then does one describe and assess an organization's environment? Burton and Obel, in their book Strategic Organizational Diagnosis and Design, provided a framework for attacking this difficult question. They propose that an organization's environment be described and measured in three dimensions or characteristics: equivocality, uncertainty, and complexity [Ref. 37, p. 152].

Equivocality is the existence of multiple and conflicting interpretations of the environment. The word itself means confusion and lack of understanding. Equivocality is a measure of the organization's ignorance of whether the variable exists in the environment. The variable can be either ill specified and unknown to the organization, or its importance for the organization is not known. Burton and Obel state:

> If an organization's agenda is known and set, then equivocality is low. If the agenda is unknown or not set then equivocality is high...When something very new may happen—new regulations, new technology, and so on, this is related to equivocality...Equivocality is related to something the organization has not experienced before. [Ref. 37, pp. 152-3]

Uncertainty refers to uncertainty of specific parameter values such as cost, number of orders, inventory loss, etc., in the organization's environment. To put it another way, uncertainty is not knowing the value of a variable in the environment. A military example of this would be not knowing the number of officers planning to retire in the upcoming fiscal year. Not knowing this factor introduces uncertainty in budgeting military personnel costs. To differentiate between equivocality and uncertainty, Burton and Obel state:

> Equivocality and uncertainty are conceptually distinct, yet the distinction is not always easy. Basically...uncertainty is in most cases related to issues that the organization has experienced previously. Fluctuation in demand of the organization's goods and services is a good example. [Ref. 37, p. 153]

Complexity is the measure of the number and the interdependency of factors or variables in the environment that affect the organization. Discussing the difference between independent and interdependent variables, Burton and Obel state:

> Managing interdependent variables is more complex than managing independent variables. Therefore, an interdependent environment is more complex than one in which the variables vary independently. [Ref. 37, p. 154]

Burton and Obel also chose to use equivocality, uncertainty, and complexity to measure the environment because they could all be related to the capacity that an organization must possess to process information.

The greater the environmental complexity, the greater the information-processing demand on the organization. The organization has to monitor more issues and assess the effect on the organization. Increased uncertainty also increases the demand for information-processing capacity, but in a different way. While increased complexity increases the number of variables that the organization has to monitor and react to, uncertainty relates to the frequency that the variables have to be monitored and adapted to. Equivocality relates to the complexity of the information that has to be processed. [Ref 37, p. 154]

So we can see that each of the measures of the environment can contribute to an increase in the demand for information-processing capability, but in different manners.

7. Organizational Communications Methods

Members of an organization must communicate, pass, and process information if the organization is going to survive. Research has shown that communications is the primary process through which managers perform their work. In fact, communications is so important, that approximately 80% of a manager's time is spent communicating [Ref. 38, p. 34]. Organizations today have more communications choices than previously available. They include face-to-face meetings, telephone calls, conference calls, video teleconferencing, email, groupware, written documents, and computer generated reports. In light of the time that a manager spends communicating, "...media choice can make the difference between effective and ineffective communication." [Ref. 38, p. 34]

Daft and Lengel have proposed that methods of communication can be placed on a hierarchy of media richness [Ref. 38, p. 37]. Media that are considered to be rich have the highest capacity to facilitate shared meaning while lean media have the lowest capacity. Trevino, Daft, and Lengel, whose paper appears in Thomas, Suchan, and Barrios-Choplin's book Readings in Managerial Communications, state:

The richness of each medium is based upon a blend of four criteria: (1) the availability of *instant feedback*, making it possible for communicators to converge quickly upon a common interpretation or understanding; (2) the capacity of the medium to transmit *multiple cues* such as body language, voice tone, and inflection, to convey interpretations; (3) the use of *natural language*, rather than numbers, to convey subtleties; and (4) the *personal focus* of the medium. A message will be conveyed more fully when personal feelings and emotions infuse the communications. Some media allow the message to be tailored to the frame of reference, needs, and current situation of the receiver. [Ref. 38, p. 37] (Their italics)

According to the hierarchy, face-to-face is the richest type of media, followed in order by telephone communications, email, personal written documents such as letters, notes and memos, and impersonal written documents such as fliers and computer reports.

Communications methods are especially important when designing an organization. They can affect not only the structure of an organization, but also the location of power. For example, two of the sources of positional power that were previously discussed were centrality and visibility. If the XO of a base controls the schedule of the installation's CO, then the XO has the power to decide who will see the CO face-to-face, and who will have to resort to written reports or phone calls to access the CO. Naturally, the person who has face-to-face contact will have stronger bases in visibility and centrality, and consequently greater positional power.

8. Tying It All Together—Environmental Effects on Configurations, Coordination, Communications (Media Richness), and Incentives

So far, we determined that as the critical contingencies and the environment around an organization change, so too will the power of individuals or sub-units within the organization. We examined Mintzberg's five basic organizational configurations and how they tend to favor specific types of environments. We also saw where power tends to be located in those five structural configurations. We observed a matrix organization is particularly adept at remaining flexible, allowing it to quickly adapt to changes in its environment. We examined the different types of communications and how they can affect the location of power in an organization, as well as the amount of information that can be processed. And finally, we concluded that public organizations, when faced with a hostile or turbulent environment, would tend to turn inwards, seeking increased

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centralization, bureaucratization, and control. Now that we have covered the necessary theory, we can use a model proposed by Burton and Obel to predict the effects of the environment on three factors: organizational configuration, coordination mechanisms, and media richness. Later in the thesis, these three factors will facilitate the identification and location of power in NRSW.

To briefly review the three factors, organizational configuration is the basic organizational structure that we discussed above (professional bureaucracy, simple structure, etc.). Coordination mechanisms include not only the liaison devices that we discussed during our review of the Adhocracy structure, but also the need for operating rules and procedures, group meetings, and planning. And finally, media richness indicates the form, amount and kind of information.

Burton and Obel formed tables using the three variables used to measure the environment (equivocality, complexity, and uncertainty). Based upon the descriptions, requirements, proposals, and results reported by dozens of organizational theorists (such as Mintzberg, Galbraith, Daft, Robbins, Lengel, etc.) they were able to develop eight proposals that give recommended states for the three factors listed above. Table 1 and Table 2 summarize these eight proposals. These tables, along with the theoretical discussions of power, authority, organizational structure, and design strategy, will form the basis for our analysis of the structural change that occurred in NRSW.

Table for Low Equivocality	Low Uncertainty	High Uncertainty
High Complexity	Configuration: functional, divisional Coordination: rules and procedures Media Richness: low richness, moderate amount of information	Configuration: functional with liaison activities, divisional Coordination: integrators Media Richness: medium richness, large amount of information
Low Complexity	Configuration: simple, functional Coordination: direct supervision, planning Media Richness: medium richness, small amount of information	Configuration: simple, divisional Coordination: direct supervision, planning and forecasting Media Richness: medium richness, moderate amount of information

Table 1. Environmental Effects on Configuration, Coordination, and Media Richness with Low Equivocality [After Ref. 37, pp. 166-168].

Table for High Equivocality	Low Uncertainty	High Uncertainty
High Complexity	Configuration: matrix Coordination: planning, integrators, group meetings Media Richness: high richness, moderate amount	Configuration: matrix, ad hoc Coordination: integrator, group meetings Media Richness: high richness, large amount
Low Complexity	Configuration: simple, functional Coordination: direct supervision, planning Media Richness: high richness, small amount	Configuration: simple, ad hoc Coordination: direct supervision, group meetings Media Richness: high richness, small amount

Table 2. Environmental Effects on Configuration, Coordination, and Media Richness with High Equivocality [After Ref. 37, pp. 166-168].

IV. ANALYSIS OF INTERVIEWS CONDUCTED WITH INSTALLATION COMMANDING OFFICERS IN NAVY REGION SOUTHWEST

A. DISCUSSION OF THE INTERVIEW PROCESS

1. Purpose of Interviews

Semi-structured interviews were conducted with both shore installation Commanding Officers and members of their chains of command in Navy Region Southwest. These interviews were designed to gather data about the manner in which the U.S. Navy's Shore Installation Regionalization process has affected the traditional hierarchical relationships that shore installation Commanding Officers have with the people assigned to their bases and with other Commanding Officers in the same region. In addition, the interviews were conducted to ascertain the perceptions of shore installation Commanding Officers and members of their chains of command as to the effects of regionalization on the power and authority of an installation Commanding Officer. A content analysis of the interview responses was then performed to determine the extent and nature of changes occurring in how Installation Commanding Officers use power and authority differently in a regionalized structure.

There are nine major shore installations in Navy Region Southwest. They are:
- Naval Base, Coronado, CA – CO interviewed
- Naval Station, San Diego, CA – CO interviewed
- Naval Base, Point Loma, CA – CO interviewed
- Naval Air Facility, El Centro, CA – CO interviewed
- Naval Air Station, Lemoore, CA – CO interviewed
- Naval Air Station, Point Mugu, CA – CO interviewed
- Naval Construction Battalion Center, Port Hueneme, CA – CO interviewed
- Naval Weapons Station, Seal Beach, CA
- Naval Air Station, Fallon, NV

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The Commanding Officers of seven of the nine installations were interviewed for this thesis. Although not formally interviewed, RADM Veronica Froman, Commander, Navy Region Southwest, participated in two meetings with the author of this thesis to comment on the thesis proposal and provide insights to the regionalization process in Navy Region Southwest. The Commanding Officer of Naval Weapons Station, Seal Beach, CA was out of town during the data gathering phase of this thesis and was unable to be interviewed. An interview scheduled with the Commanding Officer of Naval Air Station, Fallon, NV was cancelled just prior to the scheduled start time when the military aircraft that was to provide transportation to Fallon was rerouted to a higher priority mission.

In addition to interviewing Installation COs, members of their chains of command were interviewed to determine how regionalization was being perceived by the ranks. Specifically, four department heads and one assistant department head were interviewed. Though these interviews generally followed the same format as those with the Commanding Officers, they were less structured to allow for open conversation about how regionalization is being implemented and perceived below the level of the Commanding Officer of an installation. The responses from these interviews were used to provide balance in the analysis of the COs' perceptions of the effects of regionalization. However, only the interview responses received from the COs were used during the content analysis process.

Interviews were also conducted with the following activities to gather additional background information on the regionalization process:

- CO, Naval Support Activity, Monterey Bay, CA (possible future regionalization candidate)
- CO, Fleet Aviation Specialized Operational Training Group, Pacific Fleet (tenant command of Naval Base, Coronado, CA)
- Waterfront Operations Officer, Naval Station, San Diego, CA (Regional Program Manager)

2. Interview Methodology

Prior to the interviews, a package was prepared detailing the process that would be followed during the interviews (see Appendix F). This package included background information on the thesis, the research trip, the purpose of the interviews, and the interview strategy to be followed. It also contained a list of the pre-formulated interview questions. All interviews were scheduled in advance and conducted between 19-26 February 1999 in the offices of the interviewees. Interviews were conducted in a military setting and both the interviewer and interviewees were in uniform. The interviews conducted with the seven Installation COs were recorded with their permission.

The interviews were conducted to gather information. They were also semi-structured, meaning that most questions were prepared in advance to give the interview some structure. The interviews were also somewhat open-ended, and COs, if prompted by a question, were allowed to further discuss the issues raised. The questions themselves were ranked from most important to least important to counter time constraints. The funnel sequence for questions was used, ordering the questions from general to more specific.

The primary objective of the interviews was to answer the question, "What effects has regionalization had on the power and authority of Shore Installation Commanding Officers to accomplish their responsibilities?"

To answer that question, the following information was obtained during the interview process:

1. What are the types and sources of power and authority available to an Installation Commanding Officer both before and after the regionalization structural changes?

2. How have the chain of command relationships between Installation Commanding Officers and the people assigned to their installations been altered as a result of regionalization?

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3. How have the relationships between Installation Commanding Officers and other Installation Commanding Officers in the area been altered as a result of regionalization?

4. To what extent are Installation Commanding Officers now partners and/or competitors for scarce resources in the regionalization process, and how do they resolve conflicts?

5. How has the shift from a traditional installation structure, chain of command, and set of responsibilities to a regional structure, chain of command, and set of responsibilities changed the way Installation Commanding Officers lead and manage?

6. If they exist, how could the new knowledge, skills, and abilities of an Installation Commanding Officer in a regionalized environment affect Installation Commanding Officer selection criteria?

A list of the specific questions that were asked of interviewees is included in Appendix F. The interviews all went smoothly and no noticeable problems were noted.

Content analyses were performed on the interview data. During the content analysis, six themes emerged, which are summarized in Table 3. The next section will answer the secondary questions using the theoretical and structural information discussed in Chapters II and III, and the information gleaned from the content analysis of interviews of NRSW COs. The primary research question will then be answered in the conclusion in Chapter V.

B.   CONTENT ANALYSIS AND DISCUSSION OF INTERVIEW RESPONSES

1. Overview

All Commanding Officers interviewed were eager to discuss the regionalization process. Although several viewpoints existed as to the results and efficiency achieved so far by regionalization, the COs virtually agreed that "something had to be done" to

Theme 1	The power and authority of Shore Installation Commanding Officers has been eroded as a result of regionalization.
Theme 2	Assistant Chiefs of Staff and Program Managers have gained positional power as a result of regionalization.
Theme 3	Interior Installation chains of command are not as clear as they were prior to regionalization.
Theme 4	Installation Commanding Officers are partners vice competitors for scarce resources in the regionalization process.
Theme 5	The geographic separation of bases not located in San Diego is making regionalization in NRSW more difficult.
Theme 6	Commanding Officers desire additional Knowledge, Skills, and Abilities to lead and manage in a post-regionalization environment.

Table 3. Themes from Interviews with Commanding Officers in Navy Region Southwest

address the way the shore infrastructure was conducting its business. Individual Installation COs had cut their budgets to the bone over the past eight to ten years. Operating as individual bases, they expressed that they would have been unable to absorb any more budget cuts without drastically cutting the level of service provided by their installations.

2. Structure

Question: What was the command structure of a shore installation before regionalization, and what structure has been implemented as a result of regionalization?

We determined in Chapter II that the pre-regionalization shore installations were hierarchical organizations. At the micro level, they resemble Mintzberg's Machine Bureaucracy; at the macro level, they resemble the Divisionalized Form. The post-regionalization shore installation that was described in Chapter II is part of a matrix

organization that was formed at the regional level. More precisely, these organizations resemble a variation of Mintzberg's Adhocracy that is using a matrix structure as a liaison device.

The fact that a military organization chose to adopt a matrix structure is truly revolutionary. We discussed earlier that unity of command, meaning that "a member reports directly to and receives orders from only one individual," [Ref. 7, p. 1-3] is one of the U.S. Navy's primary organizational design concerns. Yet to have a successful and efficient matrix structure, unity of command is exactly what must be sacrificed. A matrix, by definition, has at least two chains of command.

The conflict between the opposing requirements of a hierarchy and a matrix structure places the Installation COs of NRSW in a difficult position. The entire structure of the U.S. Navy is designed so that accountability and responsibility can be easily traced and assigned. An officer carrying the title of Commanding Officer in the U.S. Navy hierarchy traditionally has certain responsibilities placed on him or her by law, and the power commensurate with these responsibilities. The COs in NRSW, however, have the difficult task of making a new organizational structure (i.e. a matrix) work within the confines of the old hierarchical system. They have the same responsibilities placed on them before regionalization, but they no longer have the benefit of an easily definable hierarchy on which they can rely to carry out those responsibilities. They now must carry out those responsibilities within a matrix structure and, at the same time, maintain the delicate balance of power that exists between the two or more axes in that matrix. The research questions that follow analyze how they are performing this difficult task.

3. Power and Authority

Question: What are the types and sources of power and authority available to an Installation Commanding Officer both before and after the regionalization structural changes?

Before regionalization, an installation CO's positional power was well defined in Title X code, Navy Regulations, and the SORM of each command. Title X specifically states, "The commanding officer of...a naval station takes precedence over all officers under his command." [Ref. 39, p. 217] Similarly, Navy Regs state, "The responsibility of the commanding officer for his or her command is absolute...The authority of the commanding officer is commensurate with his or her responsibility." [Ref. 9, p. 47]

Looking specifically at the five characteristics of positional power that were identified in Chapter III (formal authority, relevance, centrality, autonomy, and visibility), a CO in a pre-regionalization environment had a strong foothold in each area. As indicated earlier, Navy Regs and United States Code gave a CO formal authority. A CO was also responsible for setting the base's priorities, and therefore had a strong relevance. In terms of centrality, the CO functioned as the central person in the network of working and reporting relationships on the installation. As a "Fort Apache," the CO had a high level of autonomy and was able to make unilateral decisions within the fence-line of the installation. Finally, because of his or her location at the strategic apex of the hierarchy, the CO was very visible to the installation organization. Clearly, Installation COs had a high level of well-defined positional power prior to the regionalization process.

We can also analyze the pre-regionalization power of a CO from a macro perspective. Using Robbin's definition of power that was adopted in Chapter III, the COs of shore bases could influence the people assigned to their bases because a dependence relationship existed between the two parties. The personnel assigned to a base relied upon the CO for financial resources and for their performance evaluations and FITREPs. Both of these items represented powerful influences on the lives and careers of these personnel. Therefore, personnel tended to be open to the orders, suggestions, wishes, and desires of the CO. A CO, on the other hand, was dependent on the personnel assigned to the installation for the accomplishment of the base mission. This, in a sense, guaranteed that the CO was not overly autocratic and took the morale and welfare of his or her personnel into account. Navy Regs and Title X also played important parts in this pre-

regionalization system. Title X specifically requires COs "...to promote and safeguard the morale, the physical well-being, and the general welfare of the officers and enlisted persons under their command or charge." [Ref. 39, p. 217] In short, a system of checks and balances existed between the CO and the personnel assigned to the installation that mitigated the resource and personnel evaluation power a CO had.

Regionalization had the fundamental effect of altering the dependence relationship that exists between COs and the people who work on their bases. These personnel, for the most part, are no longer dependent on a CO for either their financial resources or their performance appraisals. This part of the dependence relationship shifted to the ACOS for a program. The ACOSs now control the financial resources and write the performance evaluations for the personnel assigned to their programs. As a result, ACOSs have gained considerable power according to Robbin's definition.

We can also surmise that ACOSs have gained significant positional power. In four of the five sources of positional power that have been discussed (formal authority, relevance, centrality, and autonomy), ACOSs gained stronger footholds as a result of the regionalization process, whereas COs became weaker. Due to their control of financial resources and personnel, ACOSs have been granted formal authority in the NRSW organization. Their activities, which are centered on providing a service or administering a program for the entire region, have been developed into the second axis needed in a matrix structure, therefore making them very relevant to the organization. An ACOS ranks high in centrality due to his or her position at the strategic apex of the program administration. Other people must rely on an ACOS for access to their resources or to accomplish unique or critical tasks. This position at the program apex provides an ACOS with considerable autonomy within his or her program.

The only area where ACOSs have not gained significant positional power is in the area of visibility. A CO of an installation continues to be the most visible person on that installation, serving as the figurehead and point of contact for a base. Most civilians as well as many military personnel do not even know that the ACOS position exists, much

less how an ACOS functions. In essence, positional power has shifted from COs to ACOSs as a result of the regionalization process.

The change in the dependence relationship just discussed was described during the interviews with the COs in NRSW as a transition from "owning" all of the resources on a base to merely having "access" to those resources. According to the interviews, this shift from ownership to access caused COs to change the way they lead and manage. Each CO seemed to express this shift of power in a different manner. One CO said that whereas he used to have a direct voice in issues, he now has to work with the ESC on prioritizing issues for the entire region. This CO, who is also an ACOS, stated that the only thing that he actually has control over now is the program for which he is responsible. He stated very clearly that he is accountable for the activities that occur on his base, but is no longer responsible for running those programs. In this CO's view, this creates a problem because his authority, positional power, and ability "to make things happen" has eroded. He stated that he now must rely much more on personal power to accomplish his priorities.

This theme of eroding power and authority was common during the interviews with the seven COs. Another CO expressed a different variation of the same theme. He was concerned that the CO's only tool to control the people now working on his base was Concurrent FITREPS. A well-known Navy joke is that a brand new officer gives an "Ensign's Salute," or a shrug of the shoulders, when he doesn't know what is happening or when something goes wrong and he can't do anything about it. This CO modified that by saying that it would be easy for a CO to give an Ensign's Salute when something goes wrong because the CO doesn't have control over what is happening in certain programs on his base. He stated that the traditional authority that a CO possesses (i.e. money and FITREPs/evals) has shifted to the regional staff.

This idea of a shift of power was expressed in a different way by another CO when he stated that Program Managers are becoming COs. He stated that this was leading to "confused troops." Another CO said that "major command ashore does not carry the weight it did before [regionalization]." He was concerned that the power and

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authority of a CO had diminished, and that he had shifted from being a commander to functioning as a coordinator. Finally, one CO stated that the "dual accountability" that exists under regionalization between a base CO and a PM leads to "a dilution of [the] ultimate accountability" of a CO that is envisioned under Navy Regulations.

Despite the dilution of the CO's traditional power bases, a CO is still responsible for the activities on his or her base and the accomplishment of the base's mission. The CO remains dependent on the base's personnel to accomplish the installation's mission. In addition, the CO is now dependent on the various ACOSs for the resources needed to accomplish the mission. The CO has lost, though, the traditional tools that he or she had to control the behavior of those personnel. A CO no longer controls the financial resources, and at best, can submit only a Concurrent FITREP on the program site manager, which the ACOS can choose to disregard. A CO must now use personal power bases to influence both the personnel assigned to the base and the other ACOSs. This is a change that may be difficult for COs to embrace. Therefore, where there was once a system of checks and balances, an Installation CO may now feel largely impotent when it is time to influence the behavior of personnel on the installation. Zaleznik described this situation well when he said:

> The human being tends to make comparisons as a basis for his sense of self-esteem. He may compare himself with other people and decide that his absolute loss or the shift in proportional shares of authority reflects an attrition in his power base. [Ref. 40, p. 48]

Regionalization attempts to give COs a venue--the ESC--to compensate for the loss of positional power on the installation. It is here that COs can interact with other COs, ACOSs, PMs, and the regional staff to address not only issues of concern to the region but also issues of concern on a local level. This occurs in the form of issue discussions during ESC meetings. It is here that a CO must use considerably more personal power than necessary prior to regionalization. This personal power is used as the COs coordinate, negotiate, and discuss the complex issues facing the ESC. These discussions require the use of compromise and persuasion. An issue that is important to

the CO of one installation may not be important to the other COs, unless the initiating CO is able to convince the others of the criticality of the issue.

The four sources of personal power that were discussed in Chapter III are expertise, track record, attractiveness, and effort. Personal power can be hard to measure and quantify in an individual, and even harder to develop. If, as a result of the regionalization process, Installation COs must rely more on personal power and less on positional power, than they must also understand where they are vulnerable in the development and measurement of personal power.

If an officer has had a successful career that has led to selection for major command ashore, it is expected that he or she has developed expertise in defining complex problems and developing solutions to those problems, developing personnel management skills, and displaying leadership. However, prior to taking command of a base, COs have limited expertise in the arena of shore installation management. A CO receives only two weeks of installation management training before reporting aboard, and there is no established career path for shore installation command in the U.S. Navy. Most COs, therefore, rely on OJT when they report to their installation to gain expertise. This would seem to indicate that although a CO may possess expertise in general leadership and management skills, he or she could be less of an expert in the arena of shore installation management. This could weaken their personal power based on expertise.

The same logic applies to using track record as a base for personal power. Although a CO may have a good track record in assignments leading to selection for major command ashore, it is entirely possible that he or she has no track record in the area of shore installation management. In this specific case, the COs in NRSW seem to have compensated for this lack of a shore installation management track record by developing an atmosphere of trust in a new and unique situation.

NRSW was the first to establish a shore installation management matrix. Since none of the COs had experienced this situation before, they had to trust each other and go through this experience together for the first time. They developed a mutual track record based on trust. This worked well in the case of NRSW; however, in a political

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organization such as the U.S. Navy, it would seem to be foolish to place the basis of the personal power of a shore installation commander on trust alone.

This leaves attractiveness and effort as sources of personal power that COs can draw on to make up for some of the positional power that was lost. When a CO is selected for major command ashore, it is probable that this officer has given maximum effort in his or her past assignments. It can also be expected that he or she will continue to perform to their best efforts. Attractiveness, on the other hand, is a very subjective trait and would be hard to quantify or utilize as a selection criteria to ensure that strong, effective COs are chosen for major shore command in a regionalized environment.

In summary, much of the positional power that a CO possessed prior to regionalization has shifted to ACOSs, forcing COs to use more personal power to accomplish their responsibilities. However, due to the lack of a strong shore installation management career path that affects the expertise and track record of officers in that area, COs may have difficulty in using personal power to make up for the positional power that was lost.

4. Interior Chain of Command

Question: How have the chain of command relationships between Installation Commanding Officers and the people assigned to their installations been altered as a result of regionalization?

Interview results indicated that all seven COs believed that the interior installation chains of command were not as clear as they were prior to regionalization. For all seven COs, "the people sitting around the table" at department head meetings generally did not change as a result of regionalization. The major difference, however, is that those people no longer worked directly for the CO. There is no longer a clear and direct chain of command between a CO and the personnel managing the programs on a base.

The COs' reactions to this question varied. One CO started discussing the psychological and loyalty issues that he was now facing with his employees as a result of regionalization. He stated that when an employee works for an organization for twenty or thirty years, it takes time to psychologically work through the extensive changes that regionalization and the implementation of a matrix structure brings. Another CO discussed at length the cultural changes, i.e., the loss of the traditional Navy hierarchical structure, that regionalization entails. Finally, one CO commented that regionalization was confusing the "troops" in his organization. In other words, the people on his base were confused by the dual chain of command that a matrix organization entails.

OPNAVINST 3120.32C, the U.S. Navy SORM, states that unless the duties, responsibilities, authority, and organizational relationships are clearly understood by the members of a command, "confusion and conflict will develop." [Ref. 7, p. 2-12] In NRSW, from a CO's perspective, this prophesy appears to have been fulfilled. Regionalization has made the chain of command relationships between a CO and the people who work on his base less clear. But only part of this confusion can be attributed to the new structures and power dynamics that regionalization created. This confusion is also caused by the fact that the Unit Identification Codes, or UICs, are still in the process of being realigned to match the new structures that were implemented. This bureaucratic process has not caught up with the rapid pace of change in the region. UICs identify the location, name, and other identification of U.S. Navy commands. U.S. Navy personnel are assigned to a specific UIC, so the UIC number is also used to track and assign who performs a myriad of personnel administrative functions (assigning awards, Non Judicial Punishment, bonus pays, performance rankings, etc).

In a sense, a UIC identifies to which organization a Sailor belongs. If on paper a Sailor belongs to one organization (e.g., a base), but he or she is being told to report to a different organization (e.g., a program), then it is understandable that the Sailor will be confused as to his or her chain of command. The fact that the UIC modification process lags behind the regionalization process makes the "White Space" (or administrative) issues, as one CO called them, harder to assign and define. Therefore, this is partially

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responsible for the confusion among the troops that was identified by the COs during the interviews.

The troops also don't seem to understand the new structure that is in place. Sailors in an organization are used to having a Division Officer, a Department Head, an Executive Officer, and a Commanding Officer. Not only has regionalization introduced new terminology (i.e. program site manager, Program Manager, Assistant Chief of Staff, etc.), it has introduced a dual hierarchy (due to the matrix structure that was implemented) that seems foreign to the personnel assigned to a shore installation. For example, a Sailor might be assigned to the Port Operations Department, which is based at NS San Diego, but work at NB Point Loma, which is across the bay. If this Sailor gets in trouble, before whom does this Sailor appear in the NJP process—the CO of NB Point Loma, or the ACOS for Port Operations (who is the CO of NS San Diego)?

Interior chain of command issues according to one CO will resolve themselves. However, communication and explanation of the new regional management structure to Sailors is essential. Also, the draft NRSW SORM is a good first step in defining "who does what" in the region. When the UIC issues are resolved, and the draft SORM amended to reflect the new UICs, the resolution of the "White Space" issues will soon follow.

5. Relationships Between Installation COs

Question: How have the relationships between Installation Commanding Officers and other Installation Commanding Officers in the area been altered as a result of regionalization?

All seven COs stated that the chain of command exterior to their installation was clear to them. They now all work for the Commander, Navy Region Southwest. With a few minor exceptions, most of their BOS funding flows directly from NRSW, and with no exceptions, RADM Froman writes their regular FITREPs. One CO commented that it

was easier for him to transition to working for NRSW than it was for his former reporting senior. He stated that it took several months for his former superior to stop calling him directly with problems that needed to be solved. This CO had to gently explain to his old boss several times that he now worked for NRSW.

Prior to regionalization, each base was an independent entity. Therefore, COs had no real reason to develop relationships with each other. They interacted only on an occasional basis for coordination of joint issues. This was the main function of the old CNB organization, to coordinate between independent bases. However, regionalization changed the need to coordinate drastically. As indicated earlier, the COs are now dependent on each other for resources and support. They meet monthly for ESC meetings and are often in contact using other means such as email or telephone. They have developed a close network of working relationships based on trust.

My original hypothesis when I started researching regionalization was that the assignment of the ACOS responsibilities would cause conflict among COs. I thought that COs who traded their former installation positional power for regional ACOS positional power would be satisfied with, and supportive of, regionalization while the COs who did not receive an ACOS assignment would be jealous or dissatisfied with regionalization. To my surprise, this was not perceived to be a problem by the COs interviewed. One CO even remarked that he was glad that he did not receive an ACOS assignment. He stated that he had enough on his plate without the added responsibility of managing a program area. Though CO discontent at not having been assigned as an ACOS might still be a problem, it was not identified as such by the COs during the interview process.

However, COs identified a different problem during the interviews. One theme that emerged during content analysis was the effect of geography on regionalization. Of the nine installations that were regionalized under NRSW, only three of them, Naval Station San Diego, Naval Base Coronado, and Naval Base Point Loma are geographically located within San Diego County. The rest are as close as several hours by car (NAF El Centro, CA) to as far away as several hours by plane (NAS Fallon, NV) to San Diego.

The COs of bases that are not physically located in San Diego jokingly referred to themselves as OTH (over-the-horizon) COs during the interviews.

The four OTH COs interviewed believed that the geographic separation between themselves and what they view as the center of power in San Diego has made regionalization much more difficult for them. For the OTH COs, the fact that they are not physically in San Diego causes, in the words on one CO, "a sense of alienation and isolation." He worries that his viewpoint, as the CO and primary representative of his base, does not receive the same amount of attention from the regional staff and program managers in San Diego as the viewpoint of a San Diego CO. Another CO stated that the amount of distance doesn't matter, but the fact that there is a geographical separation makes it hard to build cooperation. In other words, it doesn't matter if a base is two or six hours from San Diego, the fact that the base is not in San Diego is what counts when decisions are made. A different CO joked that Pearl Harbor should run San Diego. He was implying that if geography doesn't matter, which is what he perceives to be the attitude of the decision-makers in San Diego, then why isn't CINCPACFLT running all bases directly from their compound in Hawaii? This CO was also worried that the PM for Security, for example, was located in San Diego and that during an emergency could not even be physically present on this CO's base. This CO was convinced that this separation would reduce his effectiveness to command during a crisis.

. The three COs in San Diego concurred that distance had an effect on regionalization. However, they seemed to be less worried about its effects than the OTH COs. One CO stated that the COs in San Diego were not going to try and run the OTH COs' bases from San Diego. The two other COs said that the fact that the three bases were co-located in San Diego had made regionalization easier for them than for the OTH COs, with one CO saying that in effect they had just consolidated, vice regionalized. They agreed, however, that on a regional scale, geography has an effect.

Rear Admiral Froman, CNRSW, stated that she was aware that the geographic separation of bases not physically located in San Diego is making regionalization more difficult. To combat the effects of this geographic separation, several steps were taken at

the beginning of the regionalization process. These steps include monthly ESC meetings, the use of an Intranet to disseminate NRSW regionalization information, the use of the Internet to distribute and exchange regionalization information through both email and the World Wide Web, and extensive use of telephonic communications.

However, due to their location, COs of San Diego bases are able to liaison face-to-face on a regular basis with each other and with the Commander, Navy Region Southwest. One CO located in San Diego stated that through arranged meetings and chance encounters at different events in San Diego he sees Rear Admiral Froman, CNRSW, a minimum of once a week. This is much more frequent than for OTH COs. Visits by regional staff to the OTH bases in the region only occur at best once a quarter or once every six months due to the distances that must be traversed to visit all of the bases in the region. Most communication between OTH COs, the COs located in San Diego, and the regional staff occurs using one of the communications methods discussed above.

Burton and Obel's organizational design work addresses the issue of communications in a matrix organization. They developed a series of tables that can be used to choose the design of an organization based on evaluations of three characteristics of the environment in which the organization is supposed to operate. Those three characteristics, which are discussed in Chapter III, are equivocality, uncertainty, and complexity. Specifically, they use these three characteristics to predict the preferred organization configuration, the type of media richness and amount of information that should be processed, and the methods of coordination and control that should be used. Their predictions are contained in Tables 1 and 2, located in Chapter III.

Using the definitions of equivocality, uncertainty, and complexity from Chapter III, it can be determined that the environment in which regionalization occurred, and in which NRSW is currently operating, has high levels of all three characteristics. NRSW's environment has a high level of equivocality because they are forging the path for other regions to follow. They do not have an example to follow in the regionalization process and are therefore constantly facing obstacles or variables of which they had no prior knowledge. NRSW's environment also has a high level of uncertainty because their

future financial constraints are largely unknown. Though they have made cost savings predictions, NRSW knows neither the total amount of money that it is possible to save, or how much they will receive in funding one, or even several, years in the future. Finally, their environment is very complex because the regional staff and the base COs are juggling a large number of variables in their environment that are largely interconnected, such as environmental, fiscal, safety, security, and operational concerns. For this type of environment, Burton and Obel recommend:

> If the environment has high equivocality, high complexity, and high uncertainty, then the organizational configuration should be matrix or ad hoc, media richness should be high with a large amount of information, coordination and control should be via integrators and group meetings, and incentives should be results based. [Ref. 37, p. 168]

We can now compare NRSW's actual situation to this recommendation. NRSW chose to implement a matrix organization, which is consistent with Burton and Obel's recommendation. In San Diego itself, PMs, ACOSs, Installation COs, and regional staff members are able to use methods of communication that are high on the media richness scale, such as frequent face-to-face meetings. However, face-to-face group meetings for the OTH COs only occur once a month. The major means of communications for OTH commands are telephone and email, which, especially in the case of email, are considerably lower on the media richness scale than face-to-face meetings. This lack of rich media interaction could be the cause for the isolation and alienation felt by the OTH COs, as well as their sense that their viewpoints do not receive the same amount of attention from the regional staff and program managers in San Diego as the viewpoints of San Diego COs.

6. Conflict between Commanding Officers

Question: To what extent are Installation Commanding Officers now partners and/or competitors for scarce resources in the regionalization process, and how do they resolve conflicts?

This question was asked during the interviews to determine issues that caused conflict during ESC meetings. Given the decrease in financial resources available to Installation COs, one would expect that money, or the allocation of money, was the main cause of conflict. However, COs provided varied responses. Although the allocation of financial resources, in one CO's opinion, did cause conflict, other COs responded that discussions of the roles and responsibilities of COs, installation management issues (such as FITREPs and performance evaluations), discussion of lines of authority, conflicts between the missions of a base and the mission of a PM, politics, and the allocation of personnel also were sources of conflict during ESC meetings. This list seems to indicate that there is not one issue that causes conflict between the COs in NRSW.

Instead, a surprising trait emerged during the interviews with the seven installation COs. They have enormous respect, admiration, and trust for one another. According to one CO, these gentlemen had no reason to have any sort of relationship before regionalization. In fact, traditionally there is a sort of competition or rivalry between officers who have the same rank and are in the same position in the same geographical area. However, after the regionalization process, these COs found themselves working together towards the same regional goals. To achieve these goals, they had to communicate, and more importantly, they had to trust each other. One CO remarked humorously that "Misery loves company."

They now, as a regional ESC, decide on the funding priorities for the entire region. According to one CO, although they may not always start an ESC meeting with the same goals, they are in harmony by the end of the meeting. Another CO stated that it was a difficult transition to realize and accept the fact that his number one priority for his

base might only rank number seven or eight for the region. All seven COs characterized their relationships with the other COs as "closer" now than before regionalization. Although they are competitors for resources and have local priorities for their bases, they have the same goal. That goal is to save money, while at the same time avoiding the curtailment of services.

Based on Salancik and Pfeffer's statement that "...power organizes around scarce and critical resources..." [Ref. 30, p. 8] one would expect that ESC meetings would be a battleground over the struggle for power and scarce resources. Though attendance at an ESC meeting was not included as part of the research for this thesis, they were repeatedly described by COs as a time when they come together to discuss regional priorities and make resource decisions based on the needs of the region. In this aspect, then, the COs seem to be partners in the allocation of resources in the region. A major reason for this attitude could be because the bases seem to be benefiting from the new resource allocation process that is in place. One CO stated that prior to regionalization he was only able to make small stopgap repairs to several areas on his base. This was because he had too many financial constraints to be able to commit large amounts of money to a base-wide project. After regionalization, though, this same CO was able to see several large projects completed because the region, after combining all of its funds, was able to make "Robin Hood" decisions (i.e., reallocate money between bases) to bring all of the bases up to the same level of maintenance and service. Another factor that COs mentioned several times was that the region, and the region's major claimant CINCPACFLT, now have considerably more BOS influence they can exert to obtain funding for special projects than the CO of a relatively minor base possessed prior to regionalization.

7. Knowledge, Skills, and Abilities

Question: If they exist, how could the new knowledge, skills, and abilities of an Installation Commanding Officer in a regionalized environment affect Installation Commanding Officer selection criteria?

COs were asked what kinds of knowledge, skills and abilities (KSAs) are required by COs to lead and manage in a post-regionalization environment. The consensus among COs was that on-the-job-training after reporting aboard was the current primary source of knowledge gain, and that more training was needed prior to taking command. Six of seven COs believed they needed more training in reading financial statements, budgeting, and comptroller issues. Four of seven COs stated that they needed additional knowledge of civilian manpower and personnel systems. Three of seven COs desired more background in regionalization and A-76 theory and processes. Three of seven COs also desired more up front training in environmental law. Two of seven COs expressed the need for a better understanding of how the Navy manages its facilities, along with a better understanding of the CEC and Supply communities. Two of seven COs wanted more training on team building. One CO wanted more training on how to use IT applications, including applications used to give briefings. Finally, one CO wanted a better grasp of how to take a big "squishy" idea and make it manageable.

Of the eight items just discussed, five (financial issues, personnel systems, regionalization theory, environmental law, and facilities management) are directly related to shore installation management and are not normally needed during tours elsewhere in the U.S. Navy. Three items, team building, implementing change, and training on IT software, could be useful in virtually any billet in the U.S. Navy.

New KSAs do seem to be necessary to help COs lead in a post-regionalization environment. This desire for more training for shore installation COs is not new. Naval Officers have expressed a need for this type of training for many years, dating back to

Captain Howard Kay's December 1977 *Proceedings* article titled "Managing the Shore Establishment." CAPT Kay states:

> The one major endeavor of the unrestricted line community untouched by any discernible trace of programmed professional preparation is the management... of the Navy's... bases, stations, and related shore activities. [Ref. 41, p. 20]

In December, 1996 a report was published by faculty at the Naval Postgraduate School titled <u>An Assessment of Knowledge and Skill Requirements of Navy Shore-Based Installation Management.</u> This study questioned 34 current or prior naval installation COs, XOs, and staff officers/civilians. The study suggests that naval installation COs require and desire more extensive specialized education and training in competency areas prior to assuming command of an installation. The study developed 17 KSAs based on the interviews. All of the KSAs listed by COs during my interviews were included in the 17 KSAs previously identified by the NPS study. The study likened the two-week-long Prospective CO School course offered in Newport, RI as a "fire-hose" in terms of breadth and depth of information covered in a short period of time. [Ref. 42, p. 10]

The Shore Installation Management curriculum (877) at the Naval Postgraduate School was founded in 1998 to address the need for more focused education in the realm of installation management. At NPS, students and professors are applying creative research and analytical thinking to reducing overhead, regionalization, streamlining infrastructure, acquisition reform, best-sourcing, privatization, leveraging commercial technology, etc. Students in this program receive training in all of the KSAs mentioned by the COs during both the interview process for this thesis and the 1996 NPS study.

Should these KSAs affect how future Installation COs are selected? Several comments made by current COs during the interviews suggest that they should. One CO, in an unsolicited comment, stated that it is unrealistic to think that an [unrestricted line] shore installation CO can be promoted to flag rank. He suggested that officers be identified early in their career tracks, trained specifically for shore installation management, and then slated eventually for command. Another CO, again in an

unsolicited comment, stated that major command ashore does not carry the weight that it used to. He again was genuinely concerned, as an unrestricted line officer, that there are now negative career implications for officers chosen for major command ashore vice for major command afloat. According to this CO, this was not the situation prior to regionalization. He gave the impression that the best officers would avoid being major command ashore COs in a post-regionalization environment.

Therefore, it seems that unrestricted line officers do not have the time in their normal career track to develop the KSAs needed for shore installation command. It also seems that a genuine concern exists among COs as to whether an officer who has been chosen for major command ashore is competitive for flag selection. Based on these comments, it would seem that the selection process of COs for major command ashore should be reviewed.

8. Summary

This chapter analyzed the interview responses of NRSW Installation COs in terms of the research questions formulated for this thesis. The analysis was based on the descriptions of the pre- and post-regionalization structures found in Chapter II, and the theoretical discussions of power, authority, organizational design and structure found in Chapter III. Conclusions and recommendations based on the analysis conducted in this chapter may be found in Chapter V.

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V. CONCLUSIONS AND RECOMMENDATIONS

A. POWER AND AUTHORITY EROSION

1. Conclusion

Primary Research Question: What effects has regionalization had on the power and authority of Shore Installation Commanding Officers to accomplish their responsibilities?

Regionalization has eroded the traditional power and authority of Shore Installation Commanding Officers to accomplish their responsibilities.

Based on interviews with seven COs in NRSW, and supported by the theories of organizational design and power and authority discussed in Chapter III, we can conclude that the U.S. Navy's Shore Installation Regionalization Process erodes the traditional power and authority of Shore Installation Commanding Officers to accomplish their responsibilities. The very nature of an Adhocracy using a matrix structure demands the presence of a dual chain of command. This may be interpreted to directly conflict with the organizational design principles (i.e. unity of command, span of control, and delegation of authority) that are promulgated in OPNAVINST 3120.32C, the U.S. Navy SORM, and discussed in the U.S. Naval Academy's primary leadership text, Fundamentals of Naval Leadership.

Due to the presence of a dual chain of command, much of the positional power that Shore Installation COs possessed prior to regionalization shifted to ACOSs and PMs after the regionalization process. This shift in power was necessary to develop the delicate balance of power between COs and ACOSs that is required in the matrix organization that was adopted. However, COs are still responsible for their installations in every aspect; COs' responsibilities defined in Title X and Navy Regulations are still in effect. COs now must rely on coordination, negotiation, and their own personal power to carry out the responsibilities placed on them by law. In a sense, what has occurred has been a shift from a command structure based on explicit instruction to one that is

personality intensive and based on cooperation to reach agreed upon base and regional goals.

The level of mutual trust that NRSW COs display, primarily during ESC meetings, is outstanding. This mutual trust seems to have mitigated the effects of the erosion of positional power and authority that regionalization caused. In addition, NRSW's ESC has escaped functioning as a battleground for scarce resources, contrary to what is predicted by the literature. Instead, the ESC functions as a venue for COs to use their personal power to address issues that are important on a local as well as a regional level. COs accept the fact that the decisions made by the ESC are in the best interest of the region as a whole. COs also trust that these decisions will be the best in the long run for their particular bases. However, it is far from guaranteed that new COs reporting to NRSW will be able to build the same type and level of trust that the pioneering COs that instituted regionalization were able to obtain.

Therefore, the shift from a hierarchy to a matrix structure has forced Installation COs in NRSW to seek different sources of power and influence to meet the requirements placed on them by Title X law, Navy Regulations, and the dual chain of command requirements of a matrix organization. In effect, this shift eroded the formal power and authority of an Installation CO to accomplish his or her responsibilities, as defined by law.

The solution to the erosion of a CO's formal power and authority would be to either alter the Title X and Navy Regulations requirements that are placed on a CO, or reverse the Regionalization Process and re-institute a single, hierarchical chain of command on a shore installation. However, at this point, neither of these options appears to have the political support necessary to succeed. It is doubtful that either Congress or the U.S. Navy will change the expectations and requirements that they place on a CO. It is equally doubtful that the U.S. Navy will reverse course with respect to the Regionalization Process, as too much capital has already been invested, and too much change has already occurred.

The challenge for the U.S. Navy, then, seems to be to determine a method for maintaining the ESC as a venue where Installation COs can effectively use other sources of power and influence to accomplish the responsibilities placed on them by law and by the matrix's dual chain of command. . This method should include an incremental change that will mitigate the erosion of traditional power and authority that has been identified in this thesis while simultaneously safeguarding the positive effects that

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NRSW's matrix organization has already produced. Based on the interviews with COs in NRSW, the key to the success of the current NRSW ESC is the level of mutual trust that was developed as the COs implemented regionalization and developed a shared set of experiences. As the original members of the NRSW ESC leave command and transfer to new billets, the type and level of trusting relationship that was developed as regionalization was implemented could be lost. This, in turn, could jeopardize the key role that the ESC has played in mitigating the effects of the erosion of a COs positional power and authority.

2. Recommendation

In order to mitigate the effects of the erosion of the traditional power and authority of Shore Installation Commanding Officers caused by regionalization, the regional Executive Steering Committee must be maintained as a venue where Commanding Officers can effectively use other sources of power and influence to accomplish the responsibilities placed on them by law. Therefore, the process followed to assign major command screened officers to specific bases should be modified to enable the regional Executive Steering Committee to select the qualified officer that will best fit with the ESC and with the unique demands placed on a Commanding Officer of a regionalized installation.

Prospective Shore Installation COs must be thoroughly versed in the implications of leading and managing in a matrix organization that is implemented in an inherently hierarchical U.S. Navy command structure. A high level of mutual trust is required of the members of a regional ESC in order to maintain the delicate balance of power that exists between the dual hierarchy of a matrix organization. A major command screened CO who is arbitrarily assigned by an administrative board in Washington D.C. or Millington, Tennessee to a command in a region could, in quick order, destroy the trust, confidence, and working relationship developed by COs already assigned to the region. This, in turn, could limit the ESC's capability to function as a venue for COs to address issues of concern to them. It could also remove the ESC as a mitigating factor in the erosion of a CO's traditional power and authority. I recommend that the assignment process of major command screened officers to specific commands be modified to reflect the unique demands placed on a CO of a regionalized installation.

The board that chooses officers for major command ashore should not assign those officers to a particular region or base, but should place them in a pool of available officers. When a vacancy occurs in a region, the regional ESC, much like a corporation, should form a search committee that would interview several individuals from the pool of major command screened officers. The search committee would then make recommendations to the regional ESC and regional commander, who would then choose the officer, in terms of the best fit of competencies, personality, and traits that would best fit with the group of COs already assigned to the region. To prevent this from being a frequent process, I also recommend that the length of major command ashore tours be lengthened to a minimum of three to four years.

B.   TRAINING AND SELECTION OF COMMANDING OFFICERS

1. Conclusion

Shore Installation Commanding Officers in a post-regionalization environment require, prior to taking command, additional knowledge, skills, and abilities than they are currently receiving. Additionally, some officers in major command ashore billets feel that they are no longer competitive for flag rank. Therefore the career path for reaching major command ashore should be revisited.

The seven Shore Installation COs interviewed identified 8 KSAs that are necessary for base COs to possess in a post-regionalization environment. These KSAs were financial issues, personnel systems, regionalization theory, environmental law, facilities management, team building, change implementation, and IT software training. These KSAs are in addition to the KSAs that they studied during the two-week Prospective CO/XO course that they were required to attend in Newport, RI prior to taking command. These 8 KSAs were also identified in 1996 in prior research done by faculty at the Naval Postgraduate School.

Several COs interviewed also questioned the career path for major command ashore. One CO said that it was unrealistic for an URL officer to aspire to flag rank after major command ashore and that a separate track should be established for officers so that they can begin to receive training early in their careers for a shore command. Another

CO stated that major command ashore was no longer as positive of a career step as it once had been for an URL officer career.

The types of officers currently required for major command ashore also present a problem. Currently Title X regulations require that Naval pilots or flight officers command Naval Air Stations. A retired flag officer, who was both a Naval Aviator and a former Installation CO, stated that this regulation was in place because of the unique safety and operational concerns that Naval Aviation presents. This argument continues to be valid. However, in a regionalization environment, in lieu of warfare specialists, the U.S. Navy also needs facilities management experts as its shore installation COs. At this point in the career path of Naval Aviators and other URL officers, there does not appear to be enough time to develop specialties in both a warfare area and shore installation management.

Finally, we previously concluded that much of the positional power that COs possessed shifted to ACOSs and PMs after the regionalization process. Therefore, COs are forced to use more personal power to accomplish their responsibilities and objectives. However, as a result of the manner in which officers are trained and selected for major command ashore, they lack strong footholds in the two of four sources of personal power—track record and expertise in the arena of shore installation management. This could make it difficult to ensure that strong, effective COs are chosen for major command ashore in a regionalized environment.

We can conclude, therefore, that shore installation COs in a post-regionalization environment require, prior to taking command, additional KSAs than they are currently receiving. Additionally, the career path for reaching major command ashore should be revisited, focusing specifically on developing expertise and a track record for potential shore installation COs.

2. Recommendation

A specific career track should be established early in an officer's career that will lead to assignments in shore installation management and eventually major command ashore. This career track needs to include early and extensive education in shore installation management issues.

The methods used to groom and train officers for major command ashore need to be revised. No longer is it realistic to think that a two-week course can prepare an officer for the complex business affairs and facilities management environment that exists when taking command of a shore installation. A specific career track needs to be established early in an officers career that will lead to assignments in shore installation management and eventually major command ashore. The shore installation management assignments should be progressively more difficult, leading to an officer developing expertise and a proven track record in the arena of shore installation management. The two-week Prospective CO/XO course should be retained and used to apprise officers of current installation management initiatives prior to taking command.

The Shore Installation Management curriculum at the Naval Postgraduate School, sponsored by DCNO N46, is already in place and is training and graduating officers who have the knowledge and abilities to lead and manage in a post-regionalization environment. Officers should receive this education prior to taking command.

In this line of thought, the U.S. Navy's current facilities management and logistics experts, such as the Civil Engineering Corps or the logistics core competency of the Fleet Support Officer community, should play a greater role in the command of its shore installations. This is not to say, though, that command should be limited to those communities. However, for aviation, surface, and sub-surface officers to gain the experience, education, and knowledge necessary to command in a post-regionalization environment, their communities need to identify those people early in their careers. This is necessary as we will always have a need for warriors to function as ACOSs for the different operational specialty areas.

Looking far into the future, it is even conceivable that the U.S. Navy could tap civilians to be the COs/CEOs of shore installations. The U.S. Army, for example, already has a civilian as the Commanding Officer of their base in Garmisch, Germany. As long as enough military officers are available to fill the warfare specialty ACOS positions, I see no reason why city managers couldn't find work on a Navy base. It is virtually the same job that they would perform if they were working for a municipality.

C.   COMMUNICATIONS

1. Conclusion

Communications problems exist in Navy Region Southwest between the region and the Sailors assigned to the region and also between the region and its Commanding Officers.

The interviews with the seven NRSW COs indicate there are several communications problems that exist within NRSW. According to the literature that was reviewed for this thesis, communications problems and challenges are to be expected in an Adhocracy using a matrix structure. These problems can be broken into two areas. The first are problems in communicating how the new structure works to the people who are currently in the organization. The second area is a problem in communication between the COs, or more specifically between the OTH COs and the COs and regional staff based in San Diego.

2. Recommendation for communication within the organization

The region needs to explain the new structures that are in place in terms that the average Sailor will understand.

The problem of communication with the people already in the organization can be easily solved. One CO, CAPT Wayne Thornton, stated that the key to explaining the new way of doing business is to do it in a way that is familiar to Sailors. In other words, the new structure needs to be explained using a situation that Sailors understand. This explanation should ideally come from the COs themselves. Two immediate ideas come to mind. As far as explaining the dual hierarchy or chain of command to a Sailor or civilian, the Galbraith's (quoted in Mintzberg) metaphor of a family can be used. "Almost all of us were raised in the dual authority system of the family..." [Ref. 36, p. 86] This means that the idea of reporting to both a PM and a CO can be likened to the traditional roles of a father and a mother in a family unit.

As far as explaining the nature of the reporting relationships between a program site manager and his program manager, and at the same time with the CO of the base, a

different example can be used. CAPT Thornton suggested explaining it in terms of a ship. Take for example a ship, whose homeport is San Diego, but who is underway and steaming off the coast of Hawaii. This ship has both an administrative chain of command and an operational chain of command. Administratively, the ship reports (ADCON) to its squadron commander in San Diego. The squadron commander reports to COMNAVSURFPAC, and COMNAVSURFPAC reports to CINCPACFLT. Operationally, though, the ship reports (OPCON) to COMTHIRDFLT, who then reports to CINCPACFLT. Both chains of command join at CINCPACFLT.

A regionalized environment is similar to the ADCON/OPCON situation just described for a ship. A program site manager is under ADCON of the PM/ACOS, but is under OPCON of the CO of the base. Both chains of command join at the regional ESC level. Although these examples may seem simplistic, one must find a common ground or a simple example to explain the new organization to someone in the Navy who has never seen a matrix organization before and who *thinks* that they have never had more than one boss.

3. Recommendation for communication between COs

Different and richer forms of communications need to be implemented with Commanding Officers of bases that are not physically located in San Diego.

Burton and Obel state that for a matrix organization to succeed in a highly complex, uncertain, and equivocal environment, there must be a large amount of information exchanged using a very rich media. During the interviews, OTH COs in NRSW have expressed feeling isolated and alienated. The majority of communication in NRSW is now by telephone and email, with regular monthly ESC meetings that all of the COs attend.

In my opinion the region has two alternatives. The first is to confine regionalization to FCAs where the players can interact face-to-face on a frequent basis. Commands located within the region but not located in San Diego would still receive their funding from NRSW and follow the performance standards and program regulations that the region established, but would remain a stand-alone activity. They would become, in the words of one CO, a sort of "geographical ACOS."

The other option is to increase the frequency of face-to-face meetings between the major players in the region. It is possible that VTC could fulfill this need, but this would entail more research. Though the cost of VTC technology is falling, more face-to-face meetings could become costly and difficult to coordinate. In short, more communication must occur using a richer media.

D.   FOLLOW-ON RESEARCH

Follow-on research is needed to determine the effects on the regional ESC of new COs reporting to the region. Also, follow-on research is needed to analyze how Sailors' and civilian personnel's perceptions of the regional matrix structure change as the UIC process catches up to regionalization and as administrative issues are defined and assigned. Finally, the effects of geography on the regionalization process need to be more closely examined.

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APPENDIX A. PRE-REGIONALIZATION ORGANIZATION CHART FOR NAVAL STATION SAN DIEGO
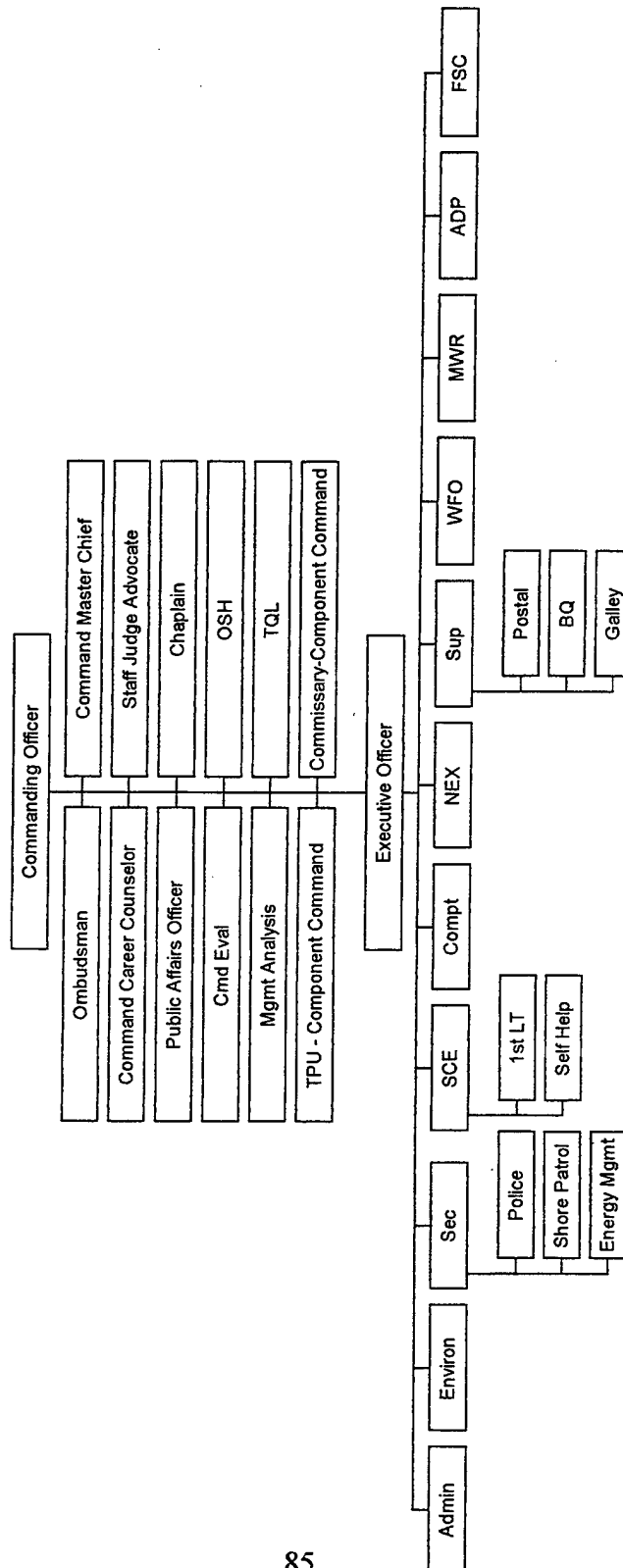
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APPENDIX B. NAVY INFRASTRUCTURE STRATEGIC ISSUES

This appendix contains the two strategic issues listed in the "21st Century Shore Support Navy Infrastructure Vision and Strategic Plan."

Strategic Issue 1: Apply state-of-the-market business practices

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Key Accomplishment 1:   *Create an organizational structure and process to accelerate positive changes.*

Goal 1: Optimize management structure to enable efficient operations.

Objective 1: Reduce the number of claimants who provide installation management policy and funding to an optimal number by eliminating management layers between claimants and installation managers, identifying opportunities for realignment in "stovepiped" organizations, and regionalizing base support functions.

Objective 2: Eliminate unnecessary inspections, reports, and other forms of oversight.

Objective 3: Determine and implement the most efficient organization based on a regional installation management concept.

Objective 4: Establish installation management career progression with associated multiyear curricula for professional development of military and civilian personnel. This

curricula should include an internship with select city management.

Objective 5: Identify organization functions and training opportunities that the Reserve component can accomplish through peacetime contributory support.

Goal 2: Develop and implement a process that motivates and accelerates positive change.

Objective 1: Eliminate policies, laws, and regulations that inhibit or restrict change and inflate costs. Take advantage of defense performance review concepts.

Objective 2: Designate regional commanders as reinvention labs to encourage the rapid generation of innovative ideas and approaches.

Objective 3: Promote the use of existing waiver programs to minimize overlapping policies and regulations and to eliminate outdated policies and regulations.

Objective 4: Provide incentives to Commanders by rewarding efficiencies; consider options such as a 25% return on savings generated.

Objective 5: Drive decisions to the lowest level by motivating and enabling commanders to make more of the decisions affecting their regional complexes and installations with a vision towards long-range goals as opposed to short-term objectives.

Objective 6: Provide incentives to tenants to streamline processes and operate in a cost-effective manner.

Objective 7: Review inter/intra-service support agreements (ISSAs) to ensure adequate cost visibility and accountability.

Key Accomplishment 2: Manage installations with the business perspectives of efficiency, competition, and customer satisfaction.

Goal 1: Improve the quality of business decisions.

Objective 1: Develop a base accounting system in order to understand the real costs of doing business at the appropriate levels.

Objective 2: Restrict oversight and centralized control to regional managers.

Objective 3: Provide common function management tools that promote near- and long-term plans to assess the contribution of services to mission effectiveness.

Objective 4: Develop performance-based ISSAs that have adequate feedback mechanisms.

Objective 5: At the broadest level possible, obtain services from the most cost-effective sources and execute services in the most cost-effective manner to sustain readiness.

Goal 2: Develop and use measures of effectiveness (MOEs) and measures of performance (MOPs) focused on performance and results, not inputs.

Objective 1: Develop benchmarks of world-class MOE tools, other metrics, and required operational capabilities and capacities (ROCCs).

Objective 2: Adopt state-of-the-market standards for commercially available services.

Objective 3: Obtain a cost accounting system that identifies the full cost of providing each service, utilizing commercial-off-the-shelf (COTS) software that is designed to aid the management process and encourage fiduciary responsibility.

Goal 3: Apply information management technology to reduce other overhead and fixed costs.

Objective 1: Apply approved practices from the Navy Smart Base initiative, the shore installation equivalent of Smart Ship, to improve shore installation management and reduce overhead.

Objective 2: Exploit the use of COTS/GOTS technologies in order to improve the affordability of operations.

Objective 3: Evaluate and implement information management systems for reporting and tracking metrics for all levels.

Key Accomplishment 1:   *Reduce workforce cost*

Goal 1: Regionalize or consolidate base operating support (BOS) functions in fleet concentration areas (FCAs) and stand-alone and overseas installations to eliminate redundant or excess billets from activities that perform similar functions. Create regional/local pools from which tenant activities can obtain common services less expensively than if they performed those functions in-house.

Objective 1:   Conduct and implement regionalization analyses in FCAs, CONUS stand-alone installations, and overseas installations. Include all Services in the discussions. Make the analysis increasingly more sophisticated and complete. Conduct regional analyses at least once every 5 years.

Objective 2:   Identify opportunities to consolidate higher level functions across regions using the N4 Optimizing Shore Support Infrastructure (OSSI) Model that focuses on cost rather than functions.

Goal 2: In conjunction with regionalization/consolidation analyses, continue to reduce operating costs by streamlining operations, determining the right source (including Government and non-Government sources), and eliminating functions no longer required. Ask: "What must the

Government own and what can it rent to supply effective shore support?". Choose and act accordingly.

Objective 1: Review installation and tenant functions to identify opportunities to consolidate, realign, or eliminate functions available within the community or no longer required.

Objective 2: Perform functional analyses to ascertain which are inherently Governmental versus non-Governmental functions, then perform "make vs. buy" analyses to choose and buy non-Governmental functions from the right source. Use outsourcing, privitization, and dual use of facilities.

Objective 3: Determine the optimal process for executing Governmental functions by focusing on readiness and most   efficient organizations.

Goal 3: Regionalize the base infrastructure for the best service interoperability at the lowest cost.

Objective 1: Site weapons systems and specialized or unique support infrastructure based on common equipment vice Service considerations (for example, Joint Advanced Strike Technology (JAST)-based aircraft). Default to a lead Service in the case of a Joint weapon system.

Goal 1: Invest in information technology that enables the workforce to perform equal or better service less expensively.

Objective 1: Establish virtual offices through telecommuting.

Objective 2: Develop information management systems for centralized planning capabilities.

Objective 3: Substitute teleconferencing for travel.

Goal 2: Realize savings from workforce cost reduction initiatives.

Objective 1: Reduce consumption of materials and utilities.

Objective 2: Assess the savings from homebasing.

Objective 3: Optimize maintenance required for remaining facilities.

Objective 4: Outsource or "civilian substitute" heartland, stand-alone installations to eliminate the need for QOL support services required by military presence (e.g., galleys, housing, MWR).

Goal 3: Find more cost-effective ways to provide perceived entitlements, benefits, and other QOL services.

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Objective 1: Partner with neighboring communities to eliminate duplicate functions inside the fence line.

Objective 2: Privatize, outsource, or civilianize where cost-effective.

Objective 3: Empower individuals to obtain entitlements, benefits, and other QOL expectations on their own.

Key Accomplishment 3:   *Reduce physical plant costs.*

Goal 1: Reduce the proliferation of redundant facilities within FCAs.

Objective 1: Consolidate the streamlined workforce into fewer facilities.

Objective 2: Perform regional planning for multipurpose or multicustomer facilities.

Goal 2: Maintain a minimal infrastructure footprint, based on the outyear projection of utilization requirements.

Objective 1: Demolish unneeded, aging facilities that cannot be cost-effectively retrofitted for continued service.

Objective 2: Divest the service of excess infrastructure and property.

Objective 3: Outlease any excess, unused real property that is judged necessary for mobilization/surge capacity, both to ensure the property is maintained and to generate revenue for the installation.

Goal 3: Establish long-term relationships with the private sector by capitalizing or funding investment programs that are integral to the way we operate our physical plants for the purpose of long-term payback.

Objective 1: Invest in energy conservation programs.

Objective 2: Invest in hazardous materials management programs.

Objective 3: Invest in waste management and recycling programs.

Objective 4: Invest in technology programs that increase efficiency and reduce manning requirements.

Objective 5: Invest in environmental restoration and cleanup programs.

Goal 4: Incorporate life-cycle cost (LCC) analyses for all future acquisitions and facilities.

Objective 1: Develop a means to accurately predict LCC and projected return on investment.

Objective 2: Incorporate an LCC model into all acquisition/procurement or construction plans to ensure adequate design, construction, training, operation, maintenance, and final disposition support for the design life of the system.

Objective 3: Develop and implement an optimal maintenance program to enable systems, structures, and equipment to reach their design life.

Objective 4: Establish a culture that allows the return of a minimum of 2.5% of current plant value for maintenance.

APPENDIX C. COMMANDER, NAVAL BASE, SAN DIEGO FIVE-STEP REGIONALIZATION PROCESS

Key Elements in the Regionalization Process

Step1 - Define BOS Function/ Baseline Current Operation

• Establish, charter, and train functional teams

- Training to include regionalization over view, ABC, BPR, IMAP, and use of the regionalization manager web site

- Validate Functional Dictionary

• Baseline Current BOS functions, costs, resources, facilities

- Use streamlined BCA data as a point of departure

- Conduct Data Call

- Validate Financial & Head Count Data (HRO validate civilian manpower, CMAT validate military)

- Establish new baseline

• Document current model of delivery

- Process (Business) model of functions

- Identify integration of functions

- Determine providers and users of services

• Determine scope of analysis

- What commands are included/excluded

- What is considered mission vice "installation management"

- What is scope of functions being reviewed

• Activity Based Cost Analysis of Functions

- Use rapid prototyping approach

- Validate financial data and head count data

Step 2 - Envision Regional Service Delivery

- Develop a Vision Statement and Goals for each Function

- Propose a General Methodology for attaining the Vision

- Determine Customer/Stakeholder Requirements

- Develop Critical Success Factors, Key Performance Indicators and Performance Measures

- Compare actual performance to "Benchmark" data

- Identify Best Practices within government and industry

- Conduct a Technology assessment for each function

- Conduct a Human Resources assessment for each function

- Conduct Process Analysis for each function

  - Evaluate consolidation impacts

  - Evaluate changes due to regionalization

  - Identify process improvement opportuni ties, including outsourcing & privatization

- Envision & clarify the key aspects of regional service delivery concept

Step 3 - Conduct Business Case Analysis of Alternatives

- Establish Alternative service delivery options

- Conduct analysis of alternatives

- Determine Benefits of Alternatives

  - Impact on Performance

  - Improvement over Baseline

- Determine Impacts and Risks

  - Impact on homebasing/quality of life

  - Impact on readiness

  - Impact on flexibility

  - Risk in estimates and performance

- Design "High Level" organization

  - Organizational Structure

- Staffing Plan (MEO)

- Technology Requirements

- Processes

- Facilities

- Budget and investment

• Develop comprehensive functional cost model

- Personnel

- Facilities

- Information Systems

- Training

- Other Investment requirements

Step 4 - Present Findings and Recommendations

• Develop Briefing with following contents

- Executive Summary

- Summary of SBCA

- Scope of Study

- Assumptions

- Goals/Vision

- Beginning Organizational Staffing

- Processes included (ABC As-Is data)

- Customer/Stakeholder requirements

- Performance Measures (As-Is)

- Recommendations

- New Organizational Structure

- New Staffing requirements (by grade/ series for military and civilian)

- New Technology Requirements

- New Performance Measures/Standards

- Investment and savings analysis

- Transition Plan, including primary costs, with POAM

- Impact on Quality of Life

- Present Findings

- Provide information necessary to support decision analysis

Step 5 - Implement Recommendations

- Form and facilitate process action teams

- Develop detailed implementation plans

- Implement electronic planning tools

- Implement team coordination, communication and collaboration tools

- Coordinate programming and budgeting

- Coordinate information flow to COMNAVBASE for midcourse correction

- Develop Interservice Support Agreements and Memorandums of Agreement

- Develop Position Descriptionss and conduct required personnel actions

APPENDIX D. POST-REGIONALIZATION ORGANIZATION CHART FOR NAVAL STATION SAN DIEGO

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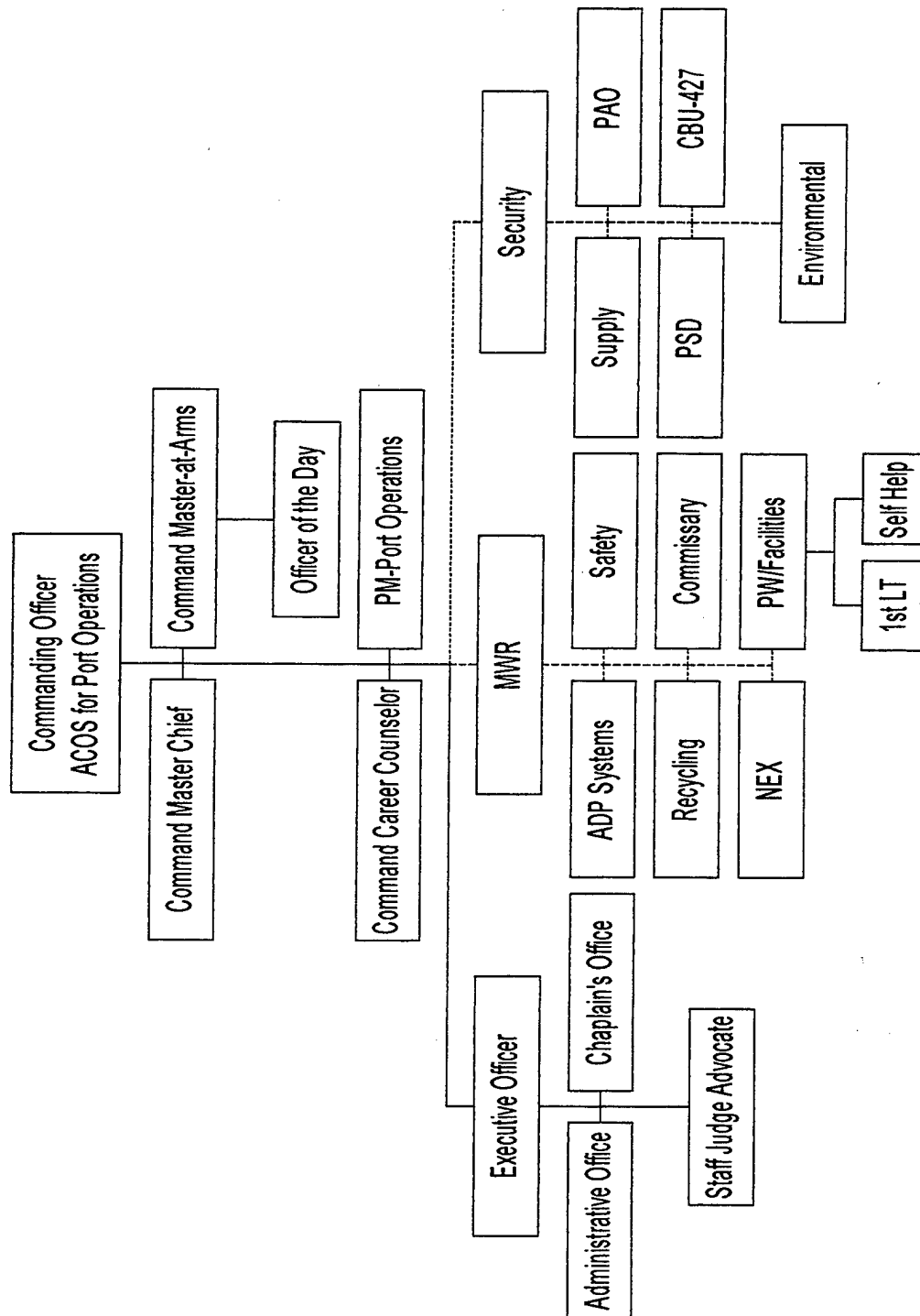
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APPENDIX E. NAVY REGION SOUTHWEST COMMAND RELATIONSHIPS

This appendix contains Articles 1104-1105 from the draft COMNAVREGSWINST 3120.3 (Standard Organization and Responsibilities within the Navy Southwest Region). Article 1104 explains command relationships in NRSW, while Article 1105 explains NRSW area coordination responsibilities.

1104 NAVY REGION SOUTHWEST COMMAND RELATIONSHIPS

a. Definitions

(1) Command. [OPNAVINST 3120.32C] defines "command" as "the authority which a commander in the military service lawfully exercises over his or her subordinates by virtue of rank or assignment. Command includes the authority and responsibility for effectively using available resources and for planning the employment, organizing, directing, coordinating, and controlling of military forces for the accomplishment of assigned missions. Command includes responsibility for promoting the health, welfare, morale, effectiveness and discipline of assigned personnel."

(2) Military Command. [CINCPACFLTINST 5400.12N] defines "military command" as "the authoritative direction exercised over activities of the naval establishment in military matters, which includes the prerogative to exercise authoritative control over all matters when circumstances dictate. Military Commanders:

(a) Are the primary reporting seniors and primary fitness report authorities for commanding officers of assigned subordinate activities;

(b) Review all performance of subordinate activities to ensure that the support and services provided by subordinates are responsive and comprehensive in meeting the needs of customer commands, activities, fleet units, and members of the naval service and their family members;

(c) Set work priorities when circumstances dictate; and

(d) Evaluate resource and budget issues, which may impact on fleet and customer support, and initiate action to apprise the military chain of command."

(3) Primary Support. [CINCPACFLTINST 5400.12N] defines "primary support" as "the responsibility for provision of resources (funds, manpower, facilities and material) to a shore activity to enable it to carry out its mission. Primary support includes administrative, personnel and material, and guidance in such matters as internal organization, processes, procedures, budgeting, accounting, staffing, and the use of personnel, funds, material and facilities. Support includes the responsibility to assist in evaluating the operational effectiveness of shore activities, and responding to requests for technical assistance as required."

(4) Technical Support. [CINCPACFLTINST 5400.12N] defines "technical support" as "the responsibility for professional advice, guidance and assistance on such matters as the handling and upkeep of equipment and systems, human resource management, supply management and facilities maintenance management, the establishment of standards and procedures for specialized technical functions and review and evaluation of services rendered."

(5) Additional Duty. [OPNAVINST 1000.16H] defines "additional duty" (ADDU) as "part-time functional requirements to which an individual is assigned, and which is in addition to the primary duty."

(6) Operational Control. [ATP1 Volume 1C] defines "operational control" (OPCON) as "authority delegated to a commander to direct forces assigned to accomplish specific mission or tasks which are usually limited by function, time or location; to deploy units concerned; and to retain or assign tactical control of those units. Does not include authority to assign separate employment of components of the units concerned nor does it include administrative control (ADCON)." This term is used in NRSW shore infrastructure management to describe the authority that an installation commanding officer exercises to direct the employment of certain regional resources assigned to the installation.

b. Action

(1) COMNAVREGSW exercises "command", including "primary" and "technical" support, over the following shore activities:

(a) Naval Air Station, North Island, CA including:

Naval Amphibious Base, Coronado, CA

Outlying Landing Field, Imperial Beach, CA

Naval Auxiliary Landing Field, San Clemente Island, CA

(b) Naval Station, San Diego, CA

(c) Naval Submarine Base, San Diego, CA, including:

Fleet Anti-Submarine Warfare Training Center[1]

Fleet Combat Training Center, Pacific[1]

Fleet Intelligence Training Center Pacific[1]

Space and Naval Warfare Systems (SPAWAR) Command[1]

SPAWAR Systems Center Point Loma Complex[1]

[1]denotes class I and class II property only

(d) Naval Air Facility, El Centro, CA

(e) Naval Air Station, Lemoore, CA

(f) Naval Air Station, Fallon, NV

(g) Naval Weapon Station, Seal Beach, CA, including:

NWS Seal Beach Detachment Concord

NWS Seal Beach Detachment Fallbrook

(h) Naval Air Station, Point Mugu, CA[2]

(i) Naval Construction Battalion Center, Port Hueneme, CA[2]

[2]consolidation to single Ventura County complex in progress

(2) COMNAVREGSW, in the capacity of responsible line commander (RLC), exercises "military command" over the following shore activities. These activities receive "primary" and "technical" support from the claimant indicated:

(a) Public Works Center, San Diego, CA
(COMNAVFACENGCOM)

(b) Naval Medical Center, San Diego CA (CHBUMED)

(c) Naval Dental Center, San Diego CA   (CHBUMED)

(3) The commanding officers of the following activities report ADDU to COMNAVREGSW in support of the mission of the NRSW.

Command	Claimant
1. Fleet and Industrial Supply Center San Diego, CA	NAVSUP
2. Southwest Division, Naval Facilities Engineering Command, San Diego, CA	NAVFACENGCOM
3. Personnel Support Activity San Diego, CA	CINCPACFLT
4. Naval Computer and Telecom Station, San Diego, CA	COMNAVCOMTELCOM

c. Chain of Command

Echelon	Command
I	Chief of Naval Operations
II	Commander in Chief, U.S. Pacific Fleet
III	Commander, Navy Region, Southwest
IV	Commands listed in part (1) of para. 1104.b. above.

d. Command Associations. COMNAVREGSW maintains liaison with U.S. Navy fleet and type commanders and Department of Defense (DOD) tenant activities in the NRSW to provide basic BOS services defined in intra-service support agreements (ISA).

1105 NAVY REGION SOUTHWEST AREA COORDINATION. Area coordination as defined in [OPNAVINST 5400.24D] provides a horizontal overview of shore activities and the relationships between and among such activities. The objective is to ensure a coordinated shore establishment to support the Pacific Fleet, shore activities and personnel in the naval service. CINCPACFLT has assigned regional coordinator duties to regional commanders. In accordance with [CINCPACFLTINST 5400.12N], COMNAVREGSW is assigned regional coordinator duties for the geographic area of California and Nevada. Current initiatives will include the state of Arizona to this AOR. In accordance with references [CINCPACFLTINST 5450.74C] and [CINCPACFLTINST 5400.12N], all U.S. Navy shore activities in the NRSW are subject to direction from COMNAVREGSW in the capacity of regional coordinator, on matters for which there is no U.S. Navy organization with clear mission responsibility. Reference [COMNAVBASESDINST 5400.1] assigns local area coordinator responsibilities to U.S. Navy activities within the COMNAVREGSW AOR.

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APPENDIX F. INTERVIEW PACKAGE FOR INTERVIEWS CONDUCTED WITH NAVY REGION SOUTHWEST COMMANDING OFFICERS

17 February 1999

MEMORANDUM

From: David S. Kemp, LT, USN, 117-68-6106, Section MS-82
To: (1) Thesis Co-Advisor: Dr. James Suchan
       (2) Thesis Co-Advisor: RADM D. Eaton, USN (ret)

Subj: INTERVIEW PACKAGE

Encl: (1) Background Information
       (2) Trip Information
       (3) Overview
       (4) Interview Strategy
       (5) Interview Questions

1. Tentative Title of Thesis:
     The Effects of Regionalization on the Power and Authority of Shore Installation Commanding Officers

2. Purpose of Interview Package:
     This package is submitted for approval for a research trip to San Diego to be conducted 22-27 February 1999.

David S. Kemp

The Effects of Regionalization on the Power and Authority of Shore Installation Commanding Officers

<u>Enclosure 1 – Background Information</u>

Background Information:
Student-   LT David S. Kemp, USN
Co-Advisor- RADM Don Eaton, USN (ret)
Co-Advisor- Professor Jim Suchan
Sponsor-   CPF (POC – LCDR Judith Godwin, N46243)

Pre-Interview Checklist:
❑ Verify Time/Place of Interview
❑ Provide Overview to Interviewee
❑ Obtain Interviewee's Biography
❑ Verify Uniform (Service Dress Blues)
❑ Obtain Letter of Introduction from CPF

Interview Conduct:
▪ Relax and Smile
▪ Maintain Eye Contact
▪ Speak Loud and Clear
▪ Maintain a Steady Question Pace (Don't Get Bogged Down)
▪ Avoid Overworked Expressions
▪ Don't Suggest Answers
▪ Don't Mention How Other Interviewees Answered
▪ Don't Cut People Off
▪ Watch Personal Body Language
▪ Don't explain a question as it could introduce bias
▪ Probe Carefully—Don't Take Just Any Answer Given
▪ Transition Between Questions is Important
▪ Never Show Surprise or Disapproval
▪ "My job is to get opinions, not have them."

Response Clues:
▪ Listen Carefully for Verbal Cues
▪ Note Non-Verbal Cues (facial expression, voice quality, quickness of response)
▪ Note Response Type (none, inaccurate, partial, evasive, complete)

The Effects of Regionalization on the Power and Authority of Shore Installation
Commanding Officers

<u>Enclosure 2 – Trip Information</u>

Start Date: 22 December 1999
End Date: 27 December 1999

Funding Authorization: To be provided by CPF ($1000 maximum)

Destinations: NAS LeMoore (CO, OPS)
                Port Hueneme (CO, PWO)
                Point Mugu (CO)
                Navy Region, Southwest (RADM Froman)
                NS San Diego (CO, Port Services Officer)
                NB Coronado (CO, Weapons Officer)
                NAS El Centro (CO, OPS)
                NB Point Loma (CO, Security Officer)
                NWS Seal Beach (XO, Technical Director)
                FASO San Diego (Program Manager)
                NSA Monterey Bay (CO)

Schedule of Interviews: Completed (See attached sheet)

TAD Travel Orders: To be made by Ms. Charlotte Miller (NPS)

Rental Car Reservations: To be made by Ms. Charlotte Miller (NPS)

Lodging Reservations: Completed (See attached sheet)

Note 1:   Navy Region Southwest attempting to arrange transportation to Fallon.

Note 2:   Estimated Lodging/Meals - $388.80
                Estimated Rental Car Cost - $180.00
                Estimated Total Cost --------- $568.80

The Effects of Regionalization on the Power and Authority of Shore Installation Commanding Officers

<u>Enclosure 3 – Overview</u>

This overview is to be provided to interviewees prior to the scheduled interview.

Date:_____

From: LT David S. Kemp, USN

To: _____(Interviewee)

Subj: REGIONALIZATION INTERVIEW

1. <u>Introduction:</u>
    Thank you for agreeing to be interviewed as part of my thesis research at the Naval Postgraduate School. This research is being sponsored by Commander in Chief, Pacific Fleet N46. The following information is provided so that you will be familiar with the research objectives prior to the start of the interview.

2. <u>Tentative Title of Thesis:</u>
    The Effects of Regionalization on the Power and Authority of Shore Installation Commanding Officers

3. <u>General Area of Thesis Research:</u>
    The purpose of this research is to examine the manner in which the Navy's Shore Installation Regionalization process has affected the traditional relationships that Installation Commanding Officers have with the people assigned to their bases and with other Commanding Officers in the same region. It will also analyze the effects of regionalization on the power and authority of Installation Commanding Officers to accomplish their responsibilities.

4. <u>Scope of Interview:</u>
    These semi-structured interviews with both Installation Commanding Officers and members of their chains of command in Navy Region Southwest will attempt to ascertain their perceptions of the effects of regionalization on the power and authority of an Installation Commanding Officer.

David S. Kemp

<u>Enclosure 4 – Interview Strategy</u>

Thesis Title:

The Effects of Regionalization on the Power and Authority of Shore Installation Commanding Officers

General Purpose:

The purpose of this research is to examine the manner in which the Navy's Shore Installation Regionalization process has affected the traditional relationships that Installation Commanding Officers have with the people assigned to their bases and with other Commanding Officers in the same region. It will also analyze the effects of regionalization on the power and authority of Installation Commanding Officers to accomplish their responsibilities.

Required Interview Type:

Information-getting Interview

Interview Structure:

This interview will be of the semi-structured variety, meaning that the majority of interview questions will be prepared in advance to give the interview some structure. The questions themselves will be ranked form most important to least important to counter time constraints. I will use the funnel sequence, ordering the questions from general to more specific. All questions will be either open, closed, or follow-up questions.

The interview will have three parts—the opening, the middle, and the closing. During the opening, I will set the tone for the interview and establish a rapport with the interviewee. I will also assure that the interviewee is aware of the purpose and the reason for the interview. The middle of the interview is where I will primarily gather the data necessary to meet the Interview Objectives, which are spelled out below. During the closing, I will summarize the major points that have been made, and give the interviewee the occasion to add any pertinent information.

Specific Interview Objectives:

The primary objective is to answer the question, "What effects has regionalization had on the power and authority of Shore Installation Commanding Officers to accomplish their responsibilities?"

To answer this question, I will attempt to obtain the following information during the interview process:

1. What was the command structure of a shore installation before regionalization, and what structure has been implemented as a result of regionalization?
2. What are the types and sources of power and authority available to an Installation Commanding Officer both before and after the regionalization structural changes?
3. How have the chain of command relationships between Installation Commanding Officers and the people assigned to their installations been altered as a result of regionalization?
4. How have the relationships between Installation Commanding Officers and other Installation Commanding Officers in the area been altered as a result of regionalization?
5. To what extent are Installation Commanding Officers now partners and/or competitors for scarce resources in the regionalization process, and how do they resolve conflicts?
6. How has the shift from a traditional installation structure, chain of command, and set of responsibilities to a regional structure, chain of command, and set of responsibilities changed the way Installation Commanding Officers lead and manage?
7. If they exist, how could the new knowledge, skills, and abilities of an Installation Commanding Officer in a regionalized environment affect Installation Commanding Officer selection criteria?

The Effects of Regionalization on the Power and Authority of Shore Installation Commanding Officers

<u>Enclosure 5 – Interview Questions</u>

Date: _____

Time: _____

Location: _____

Setting: _____

Interviewer: _____

Interviewee: _____

Opening:

- ❏ Discuss purpose and reason for interview
  - ❏ Who I am
  - ❏ Why I am there
  - ❏ What interview will cover
  - ❏ How data and responses will be used (Stress confidentiality)
- ❏ Obtain permission to use a tape recorder

Middle:

- ❏ How long have you been the Commanding Officer / in your billet?

- ❏ To whom did you report prior to regionalization (i.e. who wrote your fitrep)?

- ❏ To whom do you report now (i.e. who writes your fitrep)?

- ❏ Are your reporting relationships currently clear to you?

- ❏ How has the chain of command between the Commanding Officer and the people who work on the base changed?

- ❏ From where does the Commanding Officer derive his power and authority?

- ❏ How has this changed as the result of regionalization?

- ❏ On whom was the Commanding Officer materially/financially dependent before regionalization?

- On whom is the Commanding Officer currently materially/financially dependent in a post-regionalization environment?

- What are the responsibilities of a Shore Installation Commanding Officer?

- How has this changed as the result of regionalization?

- Does the Commanding Officer need the cooperation of anyone to accomplish those responsibilities?

- Does the Commanding Officer need the compliance of anyone to accomplish those responsibilities?

- How have the relationships between Installation Commanding Officers and other Installation Commanding Officers in the area been altered as a result of regionalization?

- Does the Commanding Officer have the same goals as the regional Executive Steering Committee?

- Around what issues can the Commanding Officer expect conflict when the Executive Steering Committee meets?

- What kinds of new knowledge skills and abilities should a Commanding Officer have to lead and manage in a post regionalization environment

Closing:
- Summarize major points
- Ask interviewee to clarify or add to the summary statement
- Ask interviewee if there is any additional information that they feel is important
- Express appreciation of (as applicable):
    - Time
    - Energy
    - Clarity
    - Wit
    - Depth of understanding
- Obtain social/demographic background if necessary

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